

# COMPANY ETHICAL CODE

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**Employee Quality Policy - Principles and values that guide business conduct.**

**The entrepreneurial spirit of our reality has always been based on strong values, reflections of its origin and its history. In these values, the man has taken a central place within the company. In this context, we propose an ambitious social policy, aimed at favoring our Company and our collaborators.**



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## Article 1: INTRODUCTION TO THE COMPANY

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### 1.1. Preface

**C.T.S.** was founded in 2011 as a result of decades of technical experience of its members in the field of Global Service and Facility Management. Their aim is studying, analyzing, planning and co-ordinating integrated services of maintenance of building and installations in industrial, shopping and banking businesses with the purpose of getting a full optimization and significant savings to their customers. Members of **C.T.S.** are mainly technicians who make available their know-how while aiming to a continuous development of their skills and focusing constantly on technological innovation.

### 1.2. Why adopting a code of ethics?

This Code has been prepared in order to set out the values and principles that have always marked the Company and should be observed by whoever carries out any activity related with **C.T.S.** (administrators, employees, consultants, agents, service providers etc...). It is essential the commitment of everybody to ensure that the Company's business is carried out in compliance with the laws, in a context of fair competition, with honesty, integrity, fairness and good faith, respecting the legitimate interests of the customers. By no means the belief of acting in the best interests of the Company would justify the adoption of behaviours in contrast with these principles. The compliance with the Code shall be considered essential part of the contractual obligations of employees and external collaborators. Contracts with suppliers will be provided with specific termination clause in case of violation of rules of this Code of Ethics by third parties.

### 1.3. Company Mission

Close contact with customers leads us to understand thoroughly their needs and the difficulty of entrusting a maintenance service to suppliers in line with their Company's policy; that's the reason why we also operate as intermediary between the parties, with transparency and impartiality in order to meet expectations and coordinate individual service providers.

The design phase is the one that distinguishes **C.T.S.** The knowledge of the customer requirements and the installer issues as well as the requirements of a good maintenance are integral parts of our way towards the customer satisfaction, the optimization of installations and the reduction of operating and maintenance costs.

Maintenance management consists of several stages. **C.T.S.** plans and schedules maintenance activities based on the most appropriate procedures and frequency focusing particularly on the deadlines set by the law. It regularly checks the competence of suppliers, the state of the facilities and monitors the assistance reports in order to spot cost abnormalities or repetitiveness of interventions.

Checking whether the suppliers comply with their contracts especially regarding Customer Service is the main activity of **C.T.S.** who also supervises interventions, coordinates and manages corrective actions and guarantees the level of required standard by providing on-site inspections carried out by their technicians. Every activities which is carried out in each installation is followed by a financial and technical report on a regular basis in order to analyze the budget and take more shared technical initiatives.

### 1.4. Company Vision

The goal of **C.T.S.** is to keep on growing and expanding their range of offers. They consider their reputation and credibility an essential resource to be maintained and developed for their clients and all those who are interested in the achievement of the company mission. Passion is an inexhaustible source of inspiration, fuel for searching new challenges. The objective is producing a "fresh sense of security" and a "warm pleasure" in order to guarantee the customer satisfaction.



- 1.5. General principles of company policy**
- The company has adopted a series of values and principles in order to pursue a careful and responsible management of its assets and relationships with its stakeholders. Subsequently it has identified its own corporate vision which can be defined as "the dream to make true" and has identified the principles that inspire conduct and behavior of the Company towards the main categories of stakeholders and the social context. The values describe the way in which all employees of **C.T.S.** are expected to behave every day in relation to clients, colleagues, their achievements and the surrounding world.
- These values help the Company to transform their vision in reality.
- The success of **C.T.S.** depends on conducting a correct business policy and that is why the Company is committed to:
- Pursuing efficiency and cost effectiveness with fairness and transparency in order to increase the levels of profitability and competitiveness and achieve current standards of innovation through constant updating.
  - Promoting the enhancement of Human Resources through professional development plans, involving them in the company's objectives and focusing on the needs and expectations of its collaborators
  - Pursuing an innovative approach with the aim of creating value by seeking advanced solutions through the interpretation of the market needs.

## Article 2: REFERENCE VALUES

- 2.1. General Criteria**
- C.T.S.** believes that in a market economy competition pursued in an ethical way is the best manner to benefit all stakeholders. It ensures that actions and conduct of employees and collaborators while performing their duties are based on the utmost honesty, impartiality, confidentiality and transparency.
- Specifically the values that inspire **C.T.S.** are:
- 2.2. Impartiality**
- An objective and fair-minded way of operating and judging, without preferential treatments given to any of the parties involved, whether public or private, linked with the recipient by friendship or enmity, kinship or affinity.
- 2.3. Honesty**
- Incapability of performing illegal or just evil acts, not only in order to comply with legal or moral principles but also for a deep-rooted sense of justice: the recipients must be aware of the ethical significance of their actions, they must not pursue personal or corporate profit at the expense of the laws and regulations set forth herein, or behave in a way that, according to common sense of conscience, might be contrary to the principle of honesty.
- 2.4. Equality**
- Equal treatment and social interaction with any other party regardless their age, sex, race, disability, religion, corporate position, economic power, social influence.
- 2.5. Loyalty**
- Ability of all employees and contractors to meet the obligations stipulated in the partnership or employment contracts, ensuring the required performance as well as the knowledge and the observation of ethical standards contained in this Code basing their conduct on mutual respect and cooperation. Each person involved must be aware that the achievement of the objectives is directly proportional to the sense of responsibility and loyalty invested.



- 2.6. **Health preservation and enhancement of the person**  
Compliance with all applicable regulations about prevention of accidents and occupational diseases, a scrupulous attention to hygiene and workplace conditions. In **C.T.S.** employees play a major role, that's why they are involved in the company's business and ensure a working environment based on attention, listening, trust and professional recognition. In order to guarantee this environment **C.T.S.** promotes working conditions that protect the psychological integrity of the team and encourage a proactive participation, team working and accountability.
- 2.7. **Privacy protection**  
Scrupulous abstaining from any personal and corporate data disclosure (either technical, logistical, strategic, economic), in accordance with all applicable rules on privacy (GDPR 679/2016); the collection and processing of data are strictly reserved to selected corporate bodies and performed strictly according to company regulations.
- 2.8. **Environmental Protection**  
Compliance with all applicable regulations concerning the environment and pollution, as well as a scrupulous attention towards any conduct that, however small, is offensive to the common sense of environmental education; implementation of differentiated waste collection and recycling of reusable materials; reduction of environmental, acoustic, radio-electric or any other kind of pollution. Each recipient must contribute through its own conduct to the pursuit of these objectives optimizing energy consumption of the electrical / electronic equipment at their disposal.
- 2.9. **Protection of CTS reputation**  
The reputation of **C.T.S.** is substantially determined by the actions and the conduct of each employee. Therefore, illicit or inappropriate behavior of even a single one of them can cause a significant damage to the Company. All employees are required, by their presence and behavior to protect and promote the good reputation of **C.T.S.** in the place in which they operate.
- 2.10. **Protection and proper use of Corporate Assets**  
**C.T.S.** owns various assets, including tangible ones and property information. Each recipient must protect whatever has been entrusted to and help to protect the whole assets of **C.T.S.** Devices and equipment such as telephones, multifunctional, PCs, software, Internet / Intranet and other tools, including e-mail and voice mail systems, must be used exclusively for operational reasons and not for personal use. It is possible to establish exceptions as long as the use of such property is not connected to any illegal activity, does not generate an actual or potential conflict of interest, does not entail significant additional costs, does not interfere with the business activities of the Company or involves other negative effects for the Company. In no case it is allowed gathering or transmitting information that incites racial hatred, mystification of violence or other criminal acts, or that contains material considered sexually offensive. It is not permitted filing, creating databases and video-audio recordings with the use of **C.T.S.** equipment except for purposes directly related to the business activities.
- 2.11. **Transparency and completeness of information**  
Execution of their duties through a regime of full intelligibility of the work by anyone; every action taken by recipients and those related to **C.T.S.** must be fully traceable and be easily identifiable in all the steps, so that all relations are understandable and any actions is justified.
- 2.12. **Conflicts of interest**  
Employees and Collaborators of **C.T.S.** and any recipient of this Code are prohibited:  
- the performance of activities that are even potentially in conflict with the interests of the Company;



- behaviors and activities that, however beneficial for the company, may have illegal nature.

As an example could constitute a conflict of interest case:

- the overt or covert, direct or indirect existence of an economic or financial interest of the employee, co-worker or their family members in the activities of suppliers, customers or competitors.
- Taking advantage of one's position for the realization of interests even if only potentially in conflict with those of the Company;
- Using information which have been acquired during work activities for their own benefit or a third party's benefit and in conflict with the interests of the Company;
- Carrying out any kind of labor or intellectual services for customers, suppliers, competitors and / or third parties that are in conflict with the interests of the Company;
- Accepting money, favors, or any kind of benefit from natural or legal persons who have, or intend to have, business relations with **C.T.S.**

### 2.13. Personnel selection

The selection of the company's employees is guided by criteria of fairness and good faith; the evaluation of the candidates in the recruitment process is focused on verifying the professional, behavioral and attitudinal requirements envisaged by the required profile, respecting the dignity, personality, the private life and opinions of the candidate.

### 2.14. Internal communication

**C.T.S.** considers internal communication a fundamental value, an important starting point for the effectiveness and efficiency of business processes because it helps sharing values, strategies and objectives, and because it facilitates the exchange of information and thus experience.

It is a responsibility of every Manager to promote internal communication through appropriate interpersonal relationships with their collaborators. He/she has to be above all a good example ensuring dialogue and listening, both individually and in group.

### 2.15. Gifts and benefits

It is forbidden when relating with Public Officials and appointees of public service, giving or promising money or other benefits in any form, whether this is made in the sole interest of the agent, or for the benefit and interest of **C.T.S.** It is also forbidden offering any form of gift, tribute, or benefits to people who do business with **C.T.S.** except in cases where such forms of gift or benefit are of little value and fall within ordinary practices and customs. In any case each employee or collaborator of **C.T.S.**, before proceeding to engage in any form of gift or benefit must seek express authorization to the person in charge of the office. The Office Manager must request permission to his direct supervisor for whatever action he/she deems to take directly. Employees and collaborators of **C.T.S.** who in respect of their working activity receive gifts or benefits in any form are required to notify their manager who will liaise with his hierarchical superior in order to agree on the conduct to be held. It is forbidden to employees or collaborators of **C.T.S.** to receive any form of gift or benefit from a third party working with **C.T.S.** where the third party hold the status of public service officer or concessionaire of public works contracts.

### 2.16. Competition

Fair competition allows the market to evolve freely with its social benefits. The recipients are required to comply with the rules of fair competition. For example they must not:

- Discuss with competitors about prices, production capacity, sales policies, profits, profit margins, costs, methods of distribution (or anything determining or influencing their company's competitive conduct) in order to lead the competitors to align themselves with this conduct.



- Enter into non-competition agreements or arrangements which are finalized to limit negotiations with suppliers, to participate in tenders and to allocate customers, markets, territories or production programs.

In addition, employees must not obtain competitive information through industrial espionage, bribery, theft or electronic eavesdropping, or deliberately disseminating false information about a competitor or its products or services.

### 2.17. **Control and accounting transparency**

The recipients undertake, in accordance with their respective functions and duties, to ensure that what is related to the management of the Company is represented correctly and truthfully in the Accounts of **C.T.S.** The documents attesting the accounting activity must allow an easy verification, the identification of any error and the degree of responsibility within the single operating process. It is an obligation of the recipients always within their respective functions and duties, to check the correctness and veracity of accounting records and disclose to whom it may concern any error, omission and / or falsification of the same. All accounting records that form the basis for the preparation of financial statements must be written clearly in a true and correct way and carefully preserved by the person in charge of their preparation.

## **Article 3: OTHER PRINCIPLES – RELATIONS WITH STAKEHOLDERS**

### 3.1. **Shareholders Meeting**

The shareholders meeting is the privileged place for the establishment of a fruitful dialogue between shareholders and the Board of Directors. For this purpose the regular participation of the Directors in the shareholders meetings is guaranteed.

### 3.2. **Board of Directors**

The Board of Directors presides over the corporate mission, the strategic choices, the Company policies and the setting of social objectives. Administrators are required to monitor compliance with the regulations, while strengthening the Company's professionalism and operating with the utmost diligence. In this context, the Board of Directors is invested with the broadest powers for the ordinary and extraordinary administration of the Company and, most notably, it has the authority to perform whatever it deems appropriate for the implementation and achievement of corporate purposes, excluding only what is reserved exclusively to the shareholders meeting by law or Company's regulations. In particular, the Board members also act on purchases and sale of real estates, on investments in new or existing companies in any form of contribution, on any transaction to the public debt, the Cassa di Depositi e Prestiti, banks, Issuing Institutions, and any other public and private offices. They can also act on judicial matters including those in the seat of the Court of cassation or revocation and on compromises and transitions. They periodically receive exhaustive information about the activities carried out by the executive bodies. The power of legal representation and signature is conferred by the Board of Directors to people with delegated powers pursuant to Article. 2381 of the Civil Code within the limits of the delegation.

### 3.3. **Employees**

People are the real asset of **C.T.S.** They are the engine of success, energy, intelligence, image and the best guarantee for the future. The Company is committed to developing and protecting the professionalism and the capabilities of each one of the employees, in consideration of equal opportunities and merits so that the skills and the legitimate aspirations of individuals complement with the achievement of corporate objectives.

Also **C.T.S.** is committed to guarantee the physical and moral integrity of its human resources and ensure a functional, safe and healthy working environment, attentive to the employee's dignity and preventing any undue pressure or discomfort. All managers have to take care of the personal and professional development of their employees and have to express their assessments with



competence, impartiality and professionalism. They have to enhance their team's professionalism and their working time by requiring performances consistent with their duties. Growth and professional development of the team is also supported with a constant implementation of training projects involving, by various cross-cutting topics, almost all employees. It is not allowed any investigation about ideas, preferences, personal tastes and, more generally, about any aspects related exclusively to the private sphere. Employees personal data will not be disclosed without their prior consent except in cases allowed by law. The Company is also committed to ensuring the health and safety of its employees. Relations with employees are governed by specific Agreements in which the company defines tasks and activities to be performed, the rules governing the employment relationship and the remuneration due. All the Company's employees must act loyally in order to respect the obligations undertaken by signing the employment contract. Moreover they have to ensure the required performance and behaving are carried out in observance of the Law, the internal regulations as well as the Code of Ethics.

#### 3.4. Clients

The relations with customers have to be based on loyalty, transparency and confidentiality and characterized by courtesy and professionalism. This is to consolidate the relationship of trust with customers and promote the Company's image in the eyes of the public. **C.T.S.** staff, within the scope of their respective competences, shall always be informed and updated in order to offer satisfactory answers to their customers and facilitate their conscious choices. Bearing this in mind it is care of employees in charge of Customer Relations to provide their information as clear, complete and understandable as possible. Sales team has to focus particularly to the customer satisfaction with a view to continuous improvement of services and products. They have to take into a great deal of consideration any suggestions or complaints from customers and react with a use of suitable and prompt communication systems. The quality of service and satisfaction are constantly monitored also by internal departments which are responsible for collecting complaints and providing adequate feedback to Customers. The Company management, being aware of the importance of demonstrating and documenting how their products and services meet the industry requirement, has decided to adopt the quality management system ISO 9001: 2015. A great importance is given to the control of outsourced processes, to the monitor of customer satisfaction (which is done by using analysis and positive comments) and to the promotion of the integration between different management procedure (quality, environment, safety, ethics, and sustainability).

#### 3.5. Suppliers

Our supplier selection is carried out using the procedures of the Organization, following the current legislation and according to equal opportunities in order to establish correct and transparent relations. In any case, the selection of suppliers and the determination of the conditions of purchase are based on parameters such as quality, convenience, price, capacity, flexibility, efficiency, ethics, organization and compliance with the law. More generally in selecting suppliers **C.T.S.** considers as reference requirements:

- professionalism and reliability of the interlocutor
- availability, appropriately documented, of means, including financial ones, organized structures, capabilities, planning resources and know-how;
- existence and effective implementation of quality, safety and environmental management systems;
- environmentally friendly behaviour;
- conduct that would not reverse negatively on the image and the good name of **C.T.S.**

In relationships concerning tenders, subcontracting, procurement and, generally, the supply of goods and services, **C.T.S.:**

- adopts, in the supplier selection, the evaluation criteria foreseen by the existing procedures, in an objective and transparent manner;



- does not preclude anyone who meets the requirements from being able to compete for contracts, adopting objective and documented criteria;
- maintains a frank and open dialogue with suppliers in line with general accepted commercial practices;
- observes and requires compliance with all the obligations imposed by current legislation, in terms of safety, contracts, contributions and tax payments when it regards procurement, subcontracting, supply and technical regulations.

Signing a contract with a supplier and managing the relationship with the same is based on extremely clear relationships, avoiding, wherever possible, excessive mutual dependence. To ensure maximum transparency and efficiency in the purchasing process, **C.T.S.** arranges:

- adequate traceability of the choices made;
- custody of information and contractual documents for the periods established by the current regulations.

**C.T.S.** demands from its suppliers / partners:

- to provide continuous, comprehensive and exhaustive information;
- to manage and draft documents with the utmost confidentiality and in compliance with the principle of truthfulness and completeness, either concerning the information and data reported and also the position of the signature where required, given their legal status and certification.

### 3.6. **Public administration**

Relations with the local or national public administration or otherwise related to public relationships (for example: managing relationships with key authorities and regulatory bodies and handling activities related to local audits / inspections on safety and hygiene and on social security carried out by the competent authorities) must be guided by the strict observance of law and regulations and general principles of fairness and loyalty.

The assumption of commitments and the management of relations of any kind with the P.A. are limited exclusively to the corporate delegates appointed and duly authorized.

### 3.7. **Outside collaborators**

In addition to the corporate members and the staff, the present Code of Conduct shall also apply to Third Party Recipients, intending people outside the Company which act directly or indirectly for it. Third party recipients are therefore required to comply with the provisions of this Code of Ethics and in particular, within the limits of their competences and responsibilities, with its ethical principles and rules of conduct of personnel. Without the expressed commitment to respect the rules contained in the Code of Ethics **C.T.S.** will not continue any relationship with third Recipient. For that purpose in engagement letters or negotiation settlements **C.T.S.** provides the insertion of specific clauses aimed at confirming the obligation of the third party to comply with the Code of Ethics, and implement in the case of explicit violations a warning to the termination of the contract.

### 3.8. **Associations, Political Organizations, Unions**

Possible funding from **C.T.S.** to non-profit organizations, associations, foundations, committees, political parties and candidates must comply with the law and regulations. The grant of such funds must still be expressly authorized by the internal departments responsible for managing these relationships. **C.T.S.** can join associations and / or trade unions.

## Article 4: IMPLEMENTATION

### 4.1. **Dissemination and compliance with the ethical code**

**C.T.S.** makes sure the Code of Ethics is brought to the attention of those involved with adequate and appropriate manners. It keeps it updated and ensures compliance by activating, where



necessary, the most appropriate nonconformity procedures suitable to the kind of relation existing with the responsible of the violation.

Each update, modification and / or integration of the Code will be promptly communicated to all recipients with the means that will be deemed most appropriate by the Company. The Code is brought to the attention of internal and external stakeholders through appropriate communication activities (eg. posting on the Company notice board, delivery to all employees, dedicated sections on the intranet and / or the company website).

#### 4.2. Reports

Each employee has the right to submit a personal report to his line manager or the GM in the event of circumstances which constitute a potential violation of this Code. All reports can be forwarded confidentially and anonymously and will be subjected to extensive investigations with the consequent adoption of appropriate measures, where appropriate. All documentation will be kept confidential, to the extent permitted by law, and no form of retaliation against those making the report will be tolerated.

#### 4.3. Observance

Compliance with the Code's rules must be considered essential part of the contractual obligations of employees pursuant to and by effect of art. 2104 of the Civil Code. It must also be considered an essential part of contractual obligations by non-subordinate workers and / or individuals who have business relations with **C.T.S.** In compliance with civil, criminal and administrative regulations, the ascertained violation of this Code may constitute grounds for determining disciplinary sanctions by the relevant bodies.

Approved on the 20th-06-2018

x The Management

