

The Ten Principles of Global Compact

Human Rights



Principle 1

Companies should support and respect the protection of internationally proclaimed human rights.



Commitment

The national regulation in force fully guarantees all universally recognized rights and IME's strict enforcement guarantees the absolute assent to such fundamental statement.

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Systems and actions

So far the constant attention to the compliance with each behavioral regulation has allowed and will still in future, to monitor and eventually anticipate any form of discrimination or violation of human rights that, whenever noticed, would be immediately and adequately sanctioned and eliminated. No such violation has ever been noticed and both the Company's Direction and the Human Resources work hard in order to guarantee such rights to everybody. During the present observed period nobody were noticed about any violation of human rights.

Principle 2

Companies should make sure that they are not complicit in human rights abuses.

Commitment

Besides what already mentioned with reference to Principle number 1, IME identifies the guarantee of human rights not only within the direct relationship with the personnel but also within those directly or indirectly established with third parties either being clients, or suppliers or general public.

Such guarantee is underlined in the constant monitoring of the company's activities of the different departments and offices also with the main aim of verifying that there is no behavior or action that could abuse other people's rights, or the transparency and fairness in economic and moral treatments.



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Systems and actions

With reference to its employees IME Spa constantly monitors the level of economic and professional organization of each resource thanks to the internal proposed function dedicated to Human Resources that opportunely and directly reports to the Company's Board.

The specific task of such internal division is to verify the correspondence of the treatments with the contractual conditions: the non existence of economic and/or professional disproportions; the verification of the personal needs of each collaborator through periodical meetings and personal interviews thanks to which it is possible to collect the requests, not only economical, and the expectations of the personnel.

IME's adjustment to the national legislation concerning security in the working environment allows to guarantee each person, operating within the company, an adequate working environment, above all safe, by putting individual integrity at the centre of all the actions carried out.

The RAD (The Risk Assessment Document which last updated version was approved end of 2010), the periodical meetings among the many people in charge, the training courses for the employees chosen for emergency assistance, guarantee an adequate level of safety for whoever is operating within the company. The attention paid to the help and to the assistance of those in difficulty, the elimination and/or the knocking down of the possible causes of accidents, the procedures adopted to safeguard everybody individually as well as the whole company's staff are the object of the daily activities chosen by the company itself. One of the main evaluation parameters is given by the number, by the kind and by the seriousness of the occurred accidents of which what follows has been noticed:



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- year 2007: 2 accidents occurred both due to causes not depending on the carried out working performance. Employees total annual average number: 133
- year 2008: 1 accident occurred due to the inability in the use of the tools over the working performance. Employees total annual average number: 135
- year 2009: 1 accident occurred due to causes not depending on the carried out working performance. Employees total average number: 135
- year 2010: first term no accidents occurred. Employees total period average number: 131.
- Year 2010 second part – year 2011 first part: 2 accidents occurred. The first due to not enough attention of the employee. The second occurred during the transfer by car from home to the company. Employees total period average is 131.

As to the transparency of the operating modalities adopted by IME, we clearly refer to the Handbook of Quality and to the related written Procedures, object of the certification of the Quality Management according to the ISO 9000 already in force since 1997 and to their subsequent maintenance and continuous adjustment up to the ISO 9000-2008 that also witnesses and guarantees that suppliers are selected according to the objective criteria of guarantee of their performance, the guarantee of the observation of the regulation in force concerning supplying certifications.

By the end of the present year IME's commitment will also require the main suppliers to confirm and underwrite that their activity is carried out in the respect of the principles stated in the Handbook of Global Compact, therefore committing the Company itself to spread the evaluation and observance of the principles where necessary.

As to the relation with the clients IME guarantees the highest transparency by describing, in the selling documentation, all the useful elements in order to make the below mentioned business operation as clear as possible. Concerning its specific production the company is strictly in conformity with the product technical regulations in force and provided with a CE branding in order to protect the physical safety of all users.

The commitment to communicate with simplicity and clearness all the modalities of use of the tools object of the production, in order to guarantee a sensible and safe use, is widely lavished.



Principle 3

Companies should uphold the freedom of association and the effective recognition of the right to collective bargaining.



Commitment

The freedom of association of workers has always been guaranteed in IME in total respect of the regulations in force .

The regularly constituted Trade Unions are not only fully recognized but are also the active counterpart in the dynamic of the company's activity.

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Systems and actions

The internal function dedicated to Human Resources, closely and directly in contact with the Company's Direction has a constant interchange of news and information of various nature with the internal Trade Union Representatives.

In accordance with such Representatives it controls the strict application and interpretation of what disposed by the International Collective Agreement in force; it explains and follows all the contractual stages related to any kind of agreement; it discusses and establishes the integrative contractual agreements thanks to which the following have been given to all the employees of the Company together with what has been established by the Metalworkers Collective Agreement for years:

- holiday bonus, defined as such but actually equal to an added monthly wage. The same for all employees
- production bonus, established according to commonly agreed and recognized indexes and subsequent to the achievement of the objectives and as integral and substantial part

of an integrative agreement, discussed, approved and underwritten together with the Trade Unions and renewable every three years.

The possibility and the freedom to dedicate part of their working activity to the performance of the Trade Union functions either within or outside the company at the respective associations of belonging, is constantly guaranteed to all the Representatives of the Joint Trade Union Representations; at the same time the right of workers to periodically meet in internal assemblies as established by the Collective Agreement in force and to which the Company's Direction refuses to take part, in order to guarantee the full and extreme freedom of individual expression, is guaranteed.

Once again together with the internal representatives of the Trade Unions the Direction and the Human Resource function monitor the qualitative level of the internal canteen service, daily offered to all employees; service for which the company directly supports 80% of the total cost. The Trade Union Representatives are periodically appointed and elected by the workers according to the regulations in force, dictated by the National Collective Agreement, and therefore fully recognized by the Company as official representatives of the whole working force.

Principle 4

Companies should uphold the elimination of all forms of forced and compulsory labour.

Commitment

IME has always operated in the full respect of the regulations in relation to the safeguard and guarantee of work by applying the dictate of the National Collective Agreement besides the other regulations of reference concerning safety, accidents, complementary security.

It neither tolerates nor obviously practices the exploitation of any kind of forced or compulsory labour. It tends to correctly organize the amount of work in "ordinary" working hours therefore avoiding the use of overtime as much as possible. It also offers several moments of relaxation to all its employees during the working day.

In order to facilitate and solve the most various and simple personal requests all employees have free access to the company's internet system in pre-established moments of the day also



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for personal use and reasons, although still in the respect of the internal regulations related to data and access security.



Systems and actions



The Human Resources supervise all the problems related to the organization, the tasks actually carried out, the timing and the amount of work given to each collaborator of the company in accordance with the Direction of IME . They promptly reply to each request concerning permissions, holidays or other suspensions and interruptions of the working activity above all when they are due to particular personal problems of the applicant. Permissions are regularly granted for particular needs linked to the family of the collaborators.

Each collaborator has the daily chance to have one hour and a half paid, if necessary, to be used for health examinations in medical facilities.

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Principle 5

Companies support the effective abolition of child labour

Commitment

IME operates in the respect of the regulations in force and whenever it requests performances carried out outside of its own firm the Italian and foreign suppliers are carefully and accurately chosen. The evaluation is carried out during a preliminary selection in order to consider all the aspects that could make it indirectly party to violations against a minor.

Systems and actions

We categorically exclude any form of child labour exploitation in IME. The average age of the personnel on 30th June 2011 was between 45 and 46 years of age.

Out of 131 employees noticed on that date:

4 were between 26 and 30 years of age

26 were between 31 and 40 years of age

51 were between 41 and 50 years of age

48 were between 51 and 60 years of age

1 was over 60



These figures definitely exclude the presence of any form of child labour. At the same time such figures indicate a company's "loyalty" which is quite deeply felt by the collaborators who witness the fact that many efforts have been made in order to create, maintain and improve the quality of the working environment, the kind of working methods, the human relations.

For this IME is gratified and in the meantime maintains its human know how preservation policy.

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Principle 6

Companies should support the elimination of discrimination in respect of employment and occupation

Commitment

The Human Resources in accordance with the Direction proceed with the selection of the personnel and/or to its requalification according to the criteria and methods based only on the level of qualification, on the company's needs and on the requests, aspirations or preferences of the employees themselves. There is no sign of distinction and therefore discrimination referring to the sex or to other "notable" personal characteristics, such as the race or the ethnic group, the religious belief, the political orientation, the personal health condition of the individual.

Systems and actions

In order to demonstrate what mentioned above 45 employees out of 131 on the 30th June 2011 were women (equal to 34,35% of the total number) whereas the men were 86 (equal to 65,64%). Two of these men come from countries not belonging to the European Union



therefore witnessing the Company's commitment to eliminate each form of discrimination and contribute to integration.



With reference to women, particular attention is paid to the requests of working mothers concerning the need to look after their children, giving them the necessary permissions without any kind of limitation.

Besides this the company employs in specific roles and tasks, that are in no way prejudicial or dangerous, some disabled people who are perfectly integrated within the professional environment.

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In order to make every office more accessible, the Company has recently installed an additional elevator committed to the elimination of architectural barriers still existing.

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Environment

Principle 7

Companies should support a precautionary approach to environmental challenges

Commitment

The value of the environment meant as whatever surrounds us and not only as the natural ecosystem has become in time one of IME's main concerns.

In such context the functions to be used for the design, production, logistics and quality pay particular attention to environment, without forgetting the importance of the impact that each new activity carried out could have on the environment itself.

The Direction is elaborating some preliminary activities purposely created to evaluate the possibility and the timing of enterprise during the process, in order to obtain the voluntary certificate of the Environment Management System according to the ISO 14100 regulations.

Systems and actions



IME (even before the foundation of the National Packaging Consortium Conai) carried out the waste separation typical of its own production or production type; it was therefore easy to join in afterwards, independently from the fact that it was not compulsory by law, with the conviction that waste separation and the related and subsequent controlled recycling may contribute through a correct recycling to the reduction of environment pollution and of the waste of materials. The adhesion to such consortium besides involving an active participation to a waste reduction policy has also an economic component given by the contribution that the company periodically offers to the consortium related to the quantity and kind of “packaging” materials used.

The annual tons of waste for recycling sees a considerable decrease of mixed wastes in favour of an increase of the “paper and cardboard” kind.

That witnesses the attention paid to the preventive waste separation that allows a recycling of waste with a decrease of costs of separation for the whole community.

Besides this, within the next 12 months part of the heating plant is going to be substituted and renewed thanks to the installation of a new certified system with three rounds of smoke and a three star class performance with the objective to considerably improve the energetic efficiency in the atmosphere.

As planned and explained in the previous CoP last year, the Company renewed the heating plant end of 2010. A three rounds-smoke certified system with condensation was installed. As a result IME Spa has obtained the energy certificate for another substantial part of its headquarters, bringing its membership in the class of scale emissions of greenhouse gases in the atmosphere at 11,05 Kg/m³a in a range from 0 to 100; then in full green area.

And more we remember that IME started two years ago with the renewal and the substitution in its production site of all fastenings (about 500 square meters) by installing new and modern ones with a very low transmission value (2W/MqK) contributing to improve the energetic efficiency of the buildings with a subsequent lower emission in the air and at the same time increasing the climatic comfort of the working spaces, obtaining at present, a result of annual saving in primary sources of about 5,5 kWh/MC-115.000kWh.

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Such initiatives are also contributing to improve the parameters of the Certificates of Energetic Certification of the buildings of the production site of the Company, therefore witnessing the commitment of IME to carry on in such way.



Principle 8

Businesses should undertake initiatives to promote greater environmental responsibility.

IME recognizes the environmental responsibility as one of the present and future challenges. In such context it wants to promote the spreading of a higher and more sensitive environmental culture among its personnel.

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Systems and actions

IME intends to promulgate a Handbook of behavioural principles allowing to each collaborator within its own activity environment the application of behaviors for the reduction and to contain energetic waste, the incorrect use of materials, the not so necessary consumption of water. All this in order to have a reduction of the impact of the company's activity on the environment.

Principle 9

Businesses should encourage the development and diffusion of environmentally friendly technologies.

Commitment

IME's commitment is that to constantly monitor the adequacy of the production technologies used in order to reduce as much as possible the environmental impact coming from its own production as much as possible.

Systems and actions

The maintenance of a fleet of electric and electronic machineries in perfect functioning conditions, the renewal of the obsolete ones, the use of those that are absolutely necessary, are the targets pursued by the company's IT function; as well as encouraging the use and

development of internal and external communication systems that will gradually see the reduction of the use of instruments and of traditional supports in favour of more technologically advanced ones and with a very low environmental impact.

As to the purchasing choices of the cars of the company's fleet of cars we have always wanted to give more importance to the best polluting class by purchasing in the year 2003 cars with euro 3 class and in the year 2005 cars with euro 4 class the most ecologic ones that the market could offer at the time. The regular maintenance, directly carried out in the authorized garages of the manufacturing firm, guarantees their manufacturing and efficiency in the respect of the environment. By following such beliefs at the beginning of 2010 a choice was made referring to the environment by purchasing a car with a double Petrol supply and gas.

During the last year the Company finished a very careful screening of all raws and materials used in the production process in order to identify, where it was required or desired, alternative components or substances less harmful. IME has also contributed a share of more than 5% of its revenues to the replacement and maintenance of production machinery.

Fight against corruption

Principle 10

Companies should work against corruption in all its forms, including extortion and bribery.

Commitment

IME has been operating for almost 65 years in the full and total respect of the extremely strict ethic behavioral codes that even if not yet written in time in the personal patrimony of the collaborators because it is a firm conviction of the Property and of the Company's Direction that no form of corruption, bribery, extortion must and may interfere or proliferate within the company's structure.

Systems and actions

No episode of corruption, extortion and bribery has ever been noticed that may have involved the company's personnel within the practice of its own function



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The internal controlling system is efficiently and effectively managed and undergoes the legal formal and substantial control of an external and independent organism that is the Board of Auditors; it has never noticed over the periodical carrying out of its own activity any irregularity or the presence of episodes contrasting the above mentioned principles. The commitment to carry on what above mentioned is also certified by the operative clearness and by the richness of the information supplied on the occasion of the drawing up of the annual balance of activity and of the six month report of the Board of Directors. What reported here is object of periodical meetings whose recording is correctly reported and underwritten in the company's register.



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Further witness of the respect of the above mentioned principles is given by the fact that IME has been accredited a supplier for organisms, bodies and companies such as Enel Spa, Ferrovie dello Stato, Marina Militare Italiana. In such contexts the selection of the supplier and its suitability will have to go through a procedure of strict control concerning Anti Mafia and transparency regulations in contract works.

Corsico, 8th of July, 2011

I.M.E. Istrumenti Misure Elettriche S.p.a

Chairman of the Board

Giovanni Calvi