

## COMMUNICATION ON PROGRESS

**PERIOD COVER BY THIS COP: October 2017 – October 2018**

Even this year, I am pleased to confirm that ELECTRONSYSTEM MD SRL reaffirms its support of the Ten Principles of the United Nations Global Compact in the areas of Human Rights, Labour, Environment and Anti-Corruption.

In this annual Communication on Progress, we describe our actions to continually honour and improve the integration of the Global Compact and its principles into our business strategy, culture and daily operations. We also commit to share this information with our stakeholders using our primary channels of communication.

Sincerely yours,

Managing Director  
Eng. Pietro Ciboldi



## Human Rights Principles

Principle 1: Businesses should support and respect the protection of internationally proclaimed human rights; and  
Principle 2: make sure that they are not complicit in human rights abuses.

### Assessment, Policy and Goals

Electronsystem MD SRL has current trade with some companies that already support the Global Compact. Furthermore Electronsystem MD srl recommends to its suppliers to share the Global Compact Principles.

### Implementation

We continue, on each issued purchase order, to draw attention on the Global Compact and ask our suppliers to share and support the 10 principles of the Global Compact.

We avoid use of Conflict Minerals.

### Measurement of outcomes

We ask our suppliers who sharing the Global Compact Principles, to send us a declaration about that.

## Labour Principles

Principle 3: Businesses should uphold the freedom of association and the effective recognition of the right to collective bargaining;  
Principle 4: the elimination of all forms of forced and compulsory labour;  
Principle 5: the effective abolition of child labour; and  
Principle 6: the elimination of discrimination in respect of employment and occupation

### Assessment, Policy and Goals

Electronsystem MD srl has formalized in a specific document hazard identification and risk assessment concerning work related stress. The document analyzes the condition of work and the relationship between workers and managers.

All the indicators such as not statutory holiday, work-absence, turn over are positive during all 2016.

### Implementation

Electronsystem MD reach certification OHSAS 18001 on 24 November 2011.  
This certification is still maintained valid.

### Measurement of outcomes

All the indicators such as not enjoyed holiday, work-absence, turn over are positive. Finally the analysis indicate that the work related stress is low ( on a scale of low, medium, high). Annual audit and complete re-assessment of the system every three year, to continue the validity of the certificate OHSAS 18001.

## Environmental Principles

Principle 7: Businesses should support a precautionary approach to environmental challenges;  
Principle 8: undertake initiatives to promote greater environmental responsibility; and  
Principle 9: encourage the development and diffusion of environmentally friendly technologies

### Assessment, Policy and Goals

Company measures and checks its consumption of electrical energy and heating, and invested in his own photovoltaic plant.

We have the environmental management system certified UNI EN ISO 14001

### Implementation

Detailed classification of the waste for proper disposal or recycling.

### Measurement of outcomes

Company produces roughly 25% of electrical needs by its own photovoltaic plant and cut Co2 emission of approximately 10 t during 2016.

## Anti - Corruption Principles

Principle 10: Businesses should work against corruption in all its forms, including extortion and bribery.

### Assessment, Policy and Goals

General Manger is responsible for compliance, in particular for bribery and corruption issues.  
Electronsystem MD srl has never had cases of corruption, extortion or bribery.

### Implementation

Electronsystem MD srl has adapted to the Italian legislation on the anti-corruption policy.

### Measurement of outcomes

Electronsystem MD Srl avoid cash flow that are not tracked or allows during a year cash payments for a total value less than 0.05% of annual turnover.

Final aim of Electronsystem MD s.r.l. is to reach 0% as cash payment.

Managing Director  
Eng. Pietro Ciboldi

