

## QUALITY POLICY

The main goal is to provide an innovative product that can meet customer requirements and expand our market position. The achievement of the quality goal, intended as continuous improvement of the quality of products, services and internal processes, requires the involvement of everyone and the awareness of their role and responsibility.

Reference points of the management system are: focus on customer and parties involved, professional excellence, reliability of the products and services offered, innovation and creativity.

The guidelines of the company's Quality Policy that the organization aims at pursuing, through the application of the Quality Management System and the analysis of the context, are reflected into specific Management commitments on the following points that are evaluated through specific indicators in the Management review.

The Quality Management System, in all its phases, is an element of priority for the Management, and for all employees, who must ensure a constant personal commitment in supporting the System and in verifying its performance.

The Management is committed to the development and continuous improvement of the Quality Management System by evaluating its effectiveness and by guaranteeing:

- ✓ the planning of the quality system aimed at achieving the objectives set;
- ✓ the review of the quality system applied with measurable aims and results;
- ✓ an appropriate communication process;
- ✓ investments in equipment and resources;
- ✓ the definition of the necessary infrastructure;
- ✓ a suitable working environment with rules and procedures aimed at minimizing the risk of accidents, injuries and exposure to health hazards for all employees;
- ✓ employee training and education;
- ✓ respect for the environment and development sustainability;

March 23, 2023

The Management

A handwritten signature in blue ink, appearing to read 'Roberto Nelli'.

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AIMS/OBJECTIVES	INDICATORS
<ul style="list-style-type: none"> <li>➤ Market Expansion</li> <li>➤ Electronic part R&amp;D development</li> <li>➤ Customers consolidation</li> <li>➤ Interfacing with the customer and quick responses</li> <li>➤ Customer satisfaction</li> </ul>	<ul style="list-style-type: none"> <li>➤ Increased turnover</li> <li>➤ Product range expansion</li> <li>➤ New projects aimed at the e-road traction market</li> <li>➤ Wireless probes</li> <li>➤ Loyalty</li> <li>➤ Customer audits/ratings</li> <li>➤ Effect of complaints and relative cost of complaint management on the turnover &lt; 0,2%</li> </ul>
<ul style="list-style-type: none"> <li>➤ Acquisition and reorganization of the German company Reckmann</li> <li>➤ Calibration laboratory accreditation by 2025</li> </ul>	<ul style="list-style-type: none"> <li>➤ Development of marketing strategies and corporate image improvement</li> </ul>
<ul style="list-style-type: none"> <li>➤ Reduction of critical issues related to the product and its performance</li> <li>➤ Compliance with the delivery times</li> <li>➤ Organization management improvement</li> <li>➤ Expansion of automatic warehouses</li> <li>➤ Upgrade of RCS production lines</li> </ul>	<ul style="list-style-type: none"> <li>➤ Conformity of ATEX certified products</li> <li>➤ Incidence of pieces to be rechecked on pieces produced &lt;1%</li> <li>➤ Delivery time monitoring: average delayed lots ≤ 10%</li> <li>➤ KPI theoretical hours/actual hours &lt;5%</li> <li>➤ Implementation of new ERP</li> <li>➤ Increased storage capacity</li> <li>➤ Insertion of new equipment and organic increase</li> </ul>
<ul style="list-style-type: none"> <li>➤ Supplier selection</li> </ul>	<ul style="list-style-type: none"> <li>➤ AQL Supplier general assessment ≥ 75</li> <li>➤ Percentage of supplier non-compliance on the total number of supplier transport document with code &lt;2,5%</li> </ul>
<ul style="list-style-type: none"> <li>➤ Qualified and motivated staff</li> <li>➤ Appropriate working environment</li> </ul>	<ul style="list-style-type: none"> <li>➤ Periodic assessment of staff competence and awareness in order to ascertain adequacy and identify improvement actions</li> <li>➤ Technical area enhancement</li> <li>➤ Plan and implement training interventions and evaluate their effectiveness</li> <li>➤ Target: 0 accidents at work</li> <li>➤ Completion of the office building and transfer</li> </ul>
<ul style="list-style-type: none"> <li>➤ Ensure the correct application of the UNI EN ISO 9001 quality system</li> <li>➤ Implementation of the UNI EN ISO 14001 environmental system</li> </ul>	<ul style="list-style-type: none"> <li>➤ Annual internal quality audits with satisfaction index ≥ 80</li> <li>➤ Audit Body TUV</li> <li>➤ Obtaining environmental certification by 2025</li> </ul>
<ul style="list-style-type: none"> <li>➤ Context Monitoring</li> <li>➤ Risk and opportunity analysis</li> </ul>	<ul style="list-style-type: none"> <li>➤ Update on internal and involved parties' processes (doc. QA/02)</li> <li>➤ Reducing risks and increasing opportunities (doc. QA/02)</li> </ul>