

SA8000 STANDARD

GENERALITY'

RACCAGNI GROUP Srl has decided to adopt, integrate into its management system (together with the aspects of quality assurance, environmental management and safety in the workplace) the requirements of Social Responsibility and Ethics at Work, and certify it according to the SA8000 standard.

The standard was issued in 1997, with subsequent revisions in 2001, 2008 and 2014, by the Council on Economic Priorities Accreditation Agency (CEPAA) now SAI (Social Accountability International)*, for the certification of the ethical and social commitment of companies and commits them to conduct management aimed at ensuring compliance with the ethical and social principles enshrined by the United Nations in the Universal Declaration of Human Rights and in the Declaration of the Rights of the Child, by the ILO (International Labour Organisation)**, in its conventions, and by national legislation.

In fact, the principles expressed by the standard have always been the basis of the company's policy, which firmly believes in them, but their formalization and certification by a third party of their compliance are particularly important today because consumers and their organizations are becoming increasingly aware, demanding and attentive to fundamental human values and no longer base their choices exclusively on quality and price criteria.

This derives above all from the fact that, thanks to globalization, the relations between the economies of the North and the South of the world have become increasingly close, while the impetuous development of the media (newspapers, television, internet) has rapidly extended the knowledge of the conditions in which many workers in the South of the world live and work.

The company is therefore committed, with its choice, to give testimony to all interested parties (employees, customers, suppliers, trade unions, trade organizations, local public bodies, etc.) of compliance with the principles enshrined in the standard, both within it and by the entire chain of its critical suppliers, and of the commitment to support the latter, if necessary, on the path to achieving compliance with the required requirements.

* The SAI (International Social Responsibility) is one of the leading global organizations working to advance the human rights of workers around the world.

** The International Labour Organization is a specialized agency of the United Nations that deals with promoting social justice and internationally recognized human rights, with particular reference to those concerning work in all its aspects.

SA8000 STANDARD REQUIREMENTS

The structure of the SA8000 standard is based on the following nine social requirements that take into account fundamental topics such as:

- ▶ respect for **human rights**;
- ▶ respect for **workers' rights**;
- ▶ protection against the **exploitation of minors**;
- ▶ guarantees of **safety and healthiness in the workplace**.

They are:

1. child labour
2. Forced and compulsory labour
3. health and safety in the workplace
4. Freedom of association and the right to collective bargaining
5. discrimination
6. Disciplinary procedures
7. Working time
8. pay
9. Social Responsibility Management System

1. CHILD LABOUR

The standard imposes the non-use of child labour by the company and its suppliers, as, moreover, already provided for by national legislation on the subject, and establishes that the company must:

1. maintain and communicate to staff and all interested parties the procedures it intends to follow to remedy any situations of child labour that may be encountered;

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2. provide support to ensure that the children concerned attend and stay in school until the age of fifteen, as required by the standard, or an older age if local legislation so requires;
3. comply with the requirements that none of the young workers, who may be employed and subject to local regulations of compulsory education or who are attending school, are employed in work during school hours and that the hours of daily travel (to/from the place of work to school), added to the hours of school and hours of work, do not exceed 10 hours in total per day;
4. not expose children or young workers to situations that are dangerous or harmful to their physical and mental health and development, both inside and outside the workplace.

In relation to the points indicated above, the situation in *RACCAGNI GROUP Srl* is as follows:

- *the company has never employed and will never employ child labor;*
- *there are currently no "young workers" in the workforce and the company has no intention of employing them in the future, but if this ever happens, it will strictly comply with the requirements of the law and the standard on the subject;*
- *the company requires its suppliers, in order to maintain the contractual relationship, not to use child labour and, if this is, exceptionally, present, to provide, albeit gradually, to definitively eliminate the anomaly;*
- *the company promotes, when necessary, appropriate initiatives with regard to the suppliers concerned and suggests measures to solve the problem or improve the situation;*

2. FORCED AND COMPULSORY LABOUR

The company, according to the SA8000 standard, must not:

1. to use or support the use of forced or compulsory labour;
2. require staff to pay "deposits" or leave identity documents with the company at the time of the start of the employment relationship;
3. withholding a portion of the salary, salary allowances, property or documents of the staff, in order to oblige them to continue working for the company.

Staff must:

4. have the right to leave the workplace at the end of the standard working day;
5. be free to terminate the employment relationship, informing the employer within a reasonable time.

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The company has always complied and will continue to comply with the requirements indicated above; it has also formally required its critical suppliers to comply with the same respect.

3. HEALTH AND SAFETY IN THE WORKPLACE

The company must:

1. to ensure a safe and healthy working environment and to take effective measures to prevent accidents and damage to workers' health during or as a result of work and to minimise, as far as possible, the causes of danger arising from the work environment;
2. appoint a management representative, responsible for ensuring a safe and stable working environment for all staff;
3. provide all staff with effective health and safety instructions;
4. provide, at their own expense, adequate personal protective equipment to staff;
5. provide first aid in the event of an accident and assist the worker in receiving subsequent medical treatment;
6. consider all risks associated with the work carried out by pregnant workers or workers who have recently given birth and take all necessary measures to eliminate or reduce any risk to their health and safety;
7. guarantee all staff access to clean toilets and drinking water. In addition:
8. All personnel must have the right to leave the workplace in the event of imminent and serious danger, without asking the company's permission.

The situation with regard to RACCAGNI GROUP Srl is as follows:

- *the company is actively committed to ensuring a safe and healthy working environment and to taking appropriate measures to prevent accidents and health damage due to work;*
- *a representative of the management was appointed as responsible for occupational health and safety;*
- *health and safety instructions are regularly provided to staff;*
- *the company has provided the ward staff with personal protective equipment;*
- *in the event of an accident, the company guarantees first aid and assistance for subsequent medical treatment;*
- *all necessary measures are taken in the case of pregnant workers or workers who have recently given birth;*
- *the bathrooms are cleaned and equipped with hot and cold water and all sanitary accessories;*

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- *All workers are free to leave work in the event of imminent and serious danger without asking the company's permission.*

4. FREEDOM OF ASSOCIATION AND THE RIGHT TO COLLECTIVE BARGAINING

The standard requires the company to ensure:

1. the right of staff to form and join trade unions of their choice and to bargain collectively with the company, without this entailing any negative consequences or provoking retaliation by the company;
2. non-interference with the formation, operation and management of workers' organisations;
3. the absence of retaliation, harassment or discrimination against workers' representatives, trade union members or those who participate in trade union activities;
4. the possibility for workers' representatives to have contact with their members in the workplace;
5. effective information of staff on the aspects indicated above.

RACCAGNI GROUP Srl guarantees all the rights referred to in point (4) and does not discriminate and/or retaliate against workers' representatives, trade union members and those who participate in trade union activities.

5. DISCRIMINATION

The company must not:

1. implement or support any form of discrimination in hiring, remuneration, access to training, promotion, dismissal or retirement and/or interfere with the exercise of the rights of staff to follow principles or practices, to meet needs, based on:
race, social class, national origin, religion, caste, birth, religion, disability, sex, sexual orientation, family responsibilities, marital status, trade union membership, political opinions, age or any other condition that could give rise to discrimination;
2. Enable behavior, including gestures, language, or physical contact, that is sexually coercive, threatening, abusive, or exploitative;

RACCAGNI GROUP Srl has always been committed to respecting the principles indicated above.

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6. DISCIPLINARY PROCEDURES

The standard requires that all personnel in the company be treated with dignity and respect, that corporal punishment, mental or physical coercion, verbal abuse of staff, harsh or inhuman treatment are not used or tolerated.

RACCAGNI GROUP Srl expects staff at all levels to be treated with dignity and respect and does not allow forms of abuse against them.

7. WORKING HOURS

The standard requires that:

1. the company complies with applicable laws and standards regarding working hours and holidays. The normal working week, excluding overtime, must be the one established by law, but cannot exceed 48 hours;
2. staff receive at least one day off after six consecutive days of work;
3. all overtime is voluntary (with the subsequent exception), does not exceed 12 hours per week and is not regularly requested. The company can request overtime in accordance with established agreements only in cases where overtime is necessary to meet a short-term market demand and the company adheres to an agreement derived from collective bargaining with workers' organizations.

RACCAGNI GROUP Srl fully complies with the requirements of the CCNL of the category on the subject.

8. PAY

According to the standard, the company must:

1. respect the right of staff to a living wage and ensure that the salary paid corresponds at least to legal standards or minimum industry standards and that it is sufficient to meet the basic needs of staff as well as to provide some discretionary income;
2. ensure that wage deductions are not due for disciplinary purposes, unless such deductions are permitted at the same time by national law and by an agreement resulting from free collective bargaining;
3. ensure that workers' wages and the composition of pay allowances are clearly and regularly detailed in writing for each pay period. Also ensure that wages and pay allowances are paid in accordance with applicable laws and that pay is paid in cash or by cheque, in a manner that is most convenient for workers;
4. pay for all overtime work with an increase, as defined by national law;
5. The company must also not use labour-only contractual agreements, consecutive short-

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term contracts and/or false apprenticeship programmes, aimed at avoiding the fulfilment of company obligations towards staff under current labour and social security legislation.

Our company guarantees that all the requirements stated in paragraph "8" are met.

9. SOCIAL RESPONSIBILITY MANAGEMENT SYSTEM

To meet the requirements set out in paragraph "9" of the SA8000 standard, management has defined a company policy on social responsibility and working conditions in such a way as to ensure:

1. the company's commitment to comply with all the requirements of the SA8000 standard and all those otherwise signed by the company;
2. the commitment to comply with national and other applicable laws and to comply with relevant international instruments;
3. the periodic review, also with a view to continuous improvement, of the adequacy, suitability and continuous effectiveness of the company policy, procedures and performance results with respect to the requirements of the standard and the other requirements signed
by the company. All system changes and improvements deemed necessary must be implemented.
4. the documentation, implementation, maintenance, communication and accessibility, in a comprehensible form, to all personnel of its social responsibility policy, including management, sector managers and operational staff, whether directly hired, contracted, or otherwise representing the company;
5. the availability of documentation to the public;
6. a clear definition of the roles, responsibilities and authority of all parties;
7. training at the time of hiring new staff, those assigned to different tasks or temporarily employed;
8. the periodic training of existing personnel;
9. the continuous monitoring of activities and results to demonstrate the effectiveness of the systems applied in responding to company policy and the requirements of the standard;
10. the possibility for personnel to report to management and the workers' representative, confidentially, the non-conformities detected with respect to the requirements of the standard. Management, for its part, must respond appropriately to issues raised by

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employees and other stakeholders and must refrain from taking disciplinary action or discriminating against any person who provides information regarding compliance with the standard.

The company has also appointed a management representative who, regardless of any other responsibilities, ensures compliance with the requirements of the SA8000 standard, while the operating staff has chosen its own representative, with the task of facilitating relations with management in matters related to the SA8000 standard.

The control system of suppliers provides that they are evaluated not only on the basis of whether or not they meet the product and service quality requirements required by RACCAGNI GROUP Srl, but also in relation to their commitment and their results regarding the requirements of the SA8000 standard.

The company is available to discuss with all interested parties on issues concerning the SA8000 standard, with the aim of achieving compliance with the same standard.

The Management Representative SA 8000