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# SA8000 Report Management Review

**Year 2020 – first half of 2021**



**16-07-2021**

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SOCIAL ACCOUNTABILITY SYSTEM

PRELIMINARY REMARKS

To give evidence of its commitment in the field of Social Accountability, at the beginning of 2019, Deluxe Brass Srl started the project to implement a Social accountability System **following the principles of the international standard SA 8000:2014.**

The system was implemented through the systematic contribution of everyone so that they could effectively participate in the development of the corporate social accountability system together with the ownership and management.

The system was implemented relying in particular on two figures: the Management Representative and the Workers' Representative; in addition to this, is careful planning for the control of the chain of suppliers and sub-suppliers through the preparation of an information and control mechanism.

With a view to continuous improvement, Deluxe Brass Srl has proceeded and will proceed from now on, periodically, with a review of its management system, which also coincides with the clarification of the objectives set by the Management in accordance with its personnel, in terms of effectiveness and concreteness.

To date, Deluxe Brass does not apply other management systems. However, the implementation of systems according to the standards ISO14001 is expected in the two-year period 2020/2021.

The conclusions of the Review are formalized in this document, which summarizes both the Social Report and the Report of the SA8000 Management System. This document clarifies and communicates the data of its company performance in economic and social terms and improvement plans.

The Report, in addition to being signed by the company management, includes the consent of the SA8000 Workers' Representatives, demonstrating the full participation of the company structure and its personnel.

The company, having acquired a social accountability system as envisaged by regulations, has defined its own company policy on the matter.

This moment also coincides with the renewal of Management's commitment expressed through the following Policy.

SOCIAL ACCOUNTABILITY POLICY

Aware that the commitment to workers is an essential element for the development of the company, Deluxe Brass Srl intends to undertake the certification process of its Social Accountability System according to the SA8000 standard and the full realization of the requirements of the SA8000 standard (Social Accountability).

By virtue of the economic, political and social context in which it operates, the company recognizes the high value of the social dimension and the responsibilities that follow within, both in its daily work and in a strategic perspective.

This means the convinced recognition of the importance of correct and transparent management of its "human capital" and the awareness of Management, suppliers, employees and all external collaborators, in compliance with the principles of Social Accountability established in the SA8000 standard.

In particular, the company dedicates the utmost effort:

- to respect the national legislation in force, the conventions and recommendations of the ILO and the UN;
- to the rejection of practices that violate human rights in general and those of workers in particular (disciplinary procedures that include corporal punishment and/or mental or physical coercion, child labour, discrimination in the workplace by gender, sexual orientation, religion, race, age, nationality, political affiliation);
- to the promotion and improvement of the conditions of safety and physical and mental well-being of its collaborators with both preventive and corrective actions;
- to the involvement of all suppliers of goods, activities and services and their commitment to social accountability, complying with all the requirements of the reference standard;

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- to the respect and support of its own declaration of principles of Social Accountability;
- to the involvement of all personnel and stakeholders (in particular suppliers) through the dissemination of the Policy, the principles of social accountability and the results expected and obtained by the Social Accountability System.

The collaboration of all interested parties of the company, internal and external, is the prerequisite for the periodic monitoring and continuous improvement of the Social Accountability System. For Deluxe Brass Srl, continuous improvement represents an essential commitment to the growth of the company. Deluxe Brass Srl fulfills this commitment through the planning and implementation of internal audits and the definition and monitoring of specific process indicators that are analyzed during the annual Management Review of the Social Accountability Management System. The Review represents an opportunity for defining improvement actions.

Deluxe Brass Srl, deeming the involvement of all stakeholders indispensable, declares its willingness to receive and agree on meetings with all interested parties, aimed at verifying the company's activities in relation to its Social Accountability Management System.

This Social Accountability Policy is brought to the attention of all interested parties through periodic information and training meetings, for all employees and externally so that all this can contribute to improving the general conditions for the management and enhancement of human capital.

The Management will review the validity of this policy every six months during the Management Review.

The Social Accountability Policy is available to anyone who wishes to consult it, and it is published on the Deluxe Brass Srl website (<http://deluxebrass.it/>).

## DEVELOPMENT OF THE MANAGEMENT SYSTEM

During the system planning phase, particular attention was dedicated to involving the main stakeholders, so that they could actively participate in the implementation of the social accountability system, together with the ownership and company management.

– **Company workers:** their involvement, and their participation in the implementation of the system, was made possible thanks to moments of information, awareness and training organized during working hours and dedicated to the description of the SA8000 standard, of its requirements and its practical scope at the company. Understanding the importance of adopting a social accountability system has been facilitated by the distribution of clear and understandable information material. Due to the nature and size of our company, this activity was carried out continuously, during the normal work session and above all, the SA8000 path was started as the first step of an implementation project of an integrated management system (quality, social accountability, environment). The Company Management has decided to start the project with the SA8000 certification to further regulate the Health and Safety System, improve the company climate and make the principles of ethics and social accountability the reference points of its activities. Subsequently, the objective is to continue with the improvement of the quality of processes, the satisfaction of customers and the attention to the environment.

– **Customers:** the attention that the company pays to the needs of its customers has resulted in the commitment to respect human resources in the production cycle, a value to which the market recognizes more and more importance. The company already receives frequent second-party audits (social audit regarding SA8000) with good results. Further improvement is expected with the implementation of the System.

– **Institutions:** the organization affirms its commitment to carry out its activity with a view to overcoming mere legislative compliance, and identifies the public administration as a privileged interested party in the performance of its economic and social role.

– **Suppliers:** the organization Deluxe Brass Srl strongly depends on the work of some of its key suppliers as can be seen from its certification purpose. Their involvement was therefore natural both in the application of the Social Accountability System and in the others subsequently applied. Deluxe Brass Srl has defined and implements specific control measures on the work of the suppliers, made more effective by the operational and logistical promiscuity with some of them.

During the planning phase of the system, the roles were defined of the persons having the necessary authority to carry out the activities foreseen by the SA8000 standard in the company organization chart.

The workers elected their SA8000 representatives, Sara Adiletta e Andrea Trapassi, to act as mediators between the needs of all workers and those of company management. The latter then appointed Silvia Parolai as its SA8000 representative and system manager, with the task of ensuring compliance with the requirements of the standard.

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The implementation of the social accountability system has thus evolved, characterizing itself for the following moments:

⇒ **Adjustment to the standard with respect to the SA8000 requirements**

- **Child labour:** only employees aged 18 or over are employed in the company organization. The company is not involved in or does not allow child labour.
- **Forced labour:** all the people that the company employs work voluntarily.
- **Health and safety:** safety is at the forefront in order to guarantee a safe and healthy workplace for workers or anyone else who may be involved in company activities. The resources are adequate for the prevention of accidents or other causes of danger.
- **Freedom of association and the right to collective bargaining:** the freedom of each worker to form or join trade unions of their choice and the right to collective bargaining are respected.
- **Discrimination:** equal opportunities are guaranteed for people who work at the company and no form of discrimination is allowed.
- **Disciplinary procedures:** the disciplinary practices applicable at the company can only and exclusively be those provided for in the CCNL.
- **Working hours:** the ordinary working week is of 40 hours, in line with the provisions of the National Collective Contracts. Overtime is performed only in exceptional short-term economic circumstances and never exceeds 8 hours per week.
- **Remuneration:** each worker receives remuneration proportionate to the quantity and quality of their work, which is in any case sufficient to ensure a dignified life for themselves and their family.

⇒ **Preparation of a control plan for suppliers/subcontractors and sub-suppliers**

The company has sent its suppliers a circular in which they are required to comply with the requirements of SA8000, participate in company monitoring activities, promptly implement remedial actions against any non-compliance with the requirements of the standard. Furthermore, procedures have been defined and implemented for the selection of suppliers based on their ability to meet the requirements of the standard.

⇒ **Definition of the procedures for carrying out the internal review**, as a management tool to periodically verify the effectiveness of the system implemented and adherence to the requirements of the standard, assessing its adequacy and appropriateness.

⇒ **Adoption of an external communication plan to inform** interested parties of the data relating to company performance regarding the requirements of the standard.

⇒ **Communication to workers** of the possibility, by each of them, to file a complaint with the certification body, should actions or conduct of the company not in compliance with the SA8000 standard be detected.

## DOCUMENTATION OF THE MANAGEMENT SYSTEM

The System is managed through articulated documentation that includes:

- the Social Accountability Manual, which describes the System, the activities conducted to implement the company policy and the division of roles and responsibilities in accordance with the requirements of the relevant regulations;
  - the Procedures, developed for the purpose of providing a detailed and documented description of the methods for conducting the activities that must be carried out for the purposes of compliance with the SA8000 standard;
  - the register of regulations, drawn up for the purpose of identifying, documenting and guaranteeing easy access to international and national legal provisions concerning the requirements of the SA8000 standard, managed through the Single Matrix of Management Systems.
  - the records, which give evidence that the System is operational and correctly managed.
- An integration has been attached to this Social Report which lists all the actions taken to manage the health emergency linked to the spread of Covid-19. The document indicates all the elements of the system that have undergone changes and have been adapted with the adoption of the anti-contagion protocol.

## PART ONE: SA8000 REPORT - REGULATORY ELEMENTS

### 1 CHILD LABOUR

#### 1.1 PRELIMINARY REMARKS REGARDING CHILD LABOUR

To date, the company is not involved in or does not intend to be involved in or encourage child labour.

The same situation was found among the major suppliers during the internal audits carried out and the results of the questionnaires given.

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If the company becomes aware of involvement in child labour during audits of suppliers, or other organizations, appropriate remedial plans will be adopted to guarantee the support of children who are in situations that fall within the definition of child labour.

These plans will provide support for children's school attendance and safety. Deluxe Brass Srl has also implemented actions to raise awareness among its suppliers to comply with the regulations by sending an information letter and signing of a declaration of commitment from the same.

### 1.2 BREAKDOWN OF WORKFORCE BY AGE

The workforce average age is 37 years, reflecting the company's strong commitment to both training young people internally and relocating already qualified, experienced personnel. After a few years of a permanent workforce, Deluxe Brass Srl is today a company in continuous development .

### 1.3 CHILD WORKERS ("ANY PERSON UNDER THE AGE OF 15")

The company never hired child workers under the age of 15.

### 1.4 YOUNG WORKERS ("ANY WORKER BETWEEN 15 AND 18 YEARS OF AGE")

In compliance with the national and international regulations in force, the company has always supported the importance of work as a method of growth and acquisition of technical skills. To date, the company never hired workers under the age of 18.

## 2. FORCED LABOUR

### 2.1 PRELIMINARY REMARKS REGARDING FORCED LABOUR

Deluxe Brass Srl ensures that all its employees work voluntarily. The company does not allow that the work performed by its employees is under threat of any penalty.

### 2.2 OPERATIVE ASSESSMENT

To ensure completely voluntary work, the company is committed to ensuring that all workers are fully aware of the rights and duties deriving from their employment contract.

No deposit concerning identity documents or money or of any other type has ever been requested by Management at the time of hiring, and this was also verified during the internal audits.

At the time of hiring, the personnel of Deluxe Brass Srl is amply assisted in reading and understanding their rights and duties in their employment contract. With particular regard, training is provided for newly hired employees, who by law are issued a copy of the signed contract after having clearly illustrated the company organization chart, sectors and related responsibilities so that the employee can operate independently within the company.

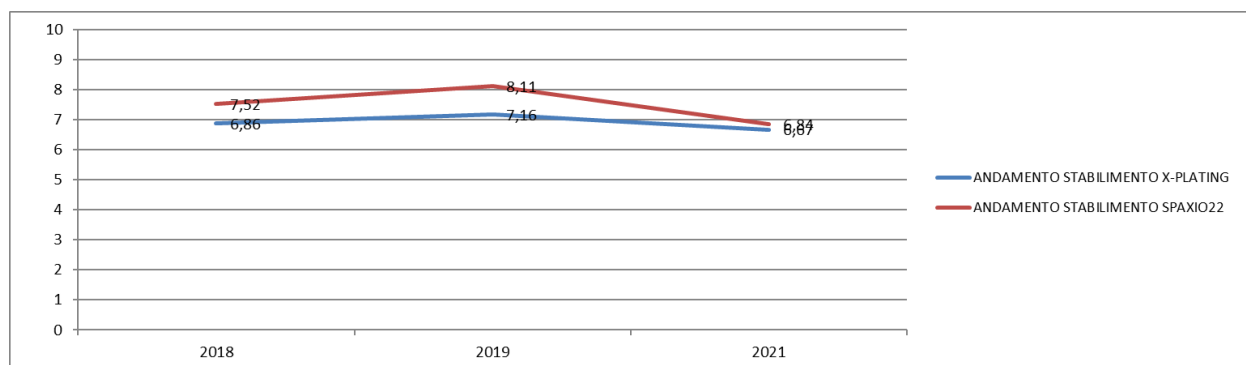
The company has never registered any practice regarding loans to its employees or advances on salary credit, nor has it ever received complaints from its employees that could indicate the occurrence of such problems.

To assess how workers perceive their work and to measure the level of employee satisfaction, a periodic climate analysis was conducted by means of an anonymous questionnaire and a rather positive global climate situation emerged since, out of 33 parameters for which it was asked to express a level of satisfaction from 1 to 10, as many as 33 parameters had an average satisfaction level of more than 6 .

The first questionnaire was in July 2019 and the results outlined a general positive climate (general response average per employee = 7.55) .

The second survey was carried in June 2020 to compare the situation after one year.

The third survey was carried out in May 2021 and produced a score of 6,72.



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Periodic meetings with personnel are planned and carried out at the company, facilitated by the lean structure of the company, in which work progress is constantly analyzed, the problems encountered are evaluated, actions are decided. All aimed at maintaining a serene and participatory company climate.

### 3. HEALTH AND SAFETY

#### 3.1 PRELIMINARY REMARKS REGARDING SAFETY IN THE WORKPLACE

Deluxe Brass Srl guarantees and ensures its workers a safe and healthy workplace by planning a Risk Assessment Document, training and updating regarding the safeguards to be adopted at the time of occurrence of a dangerous event and through the appointment of a Prevention and Protection Service Manager.

#### 3.2 OPERATIVE ASSESSMENT

In compliance with current regulations, Deluxe Brass Srl has completed the formalities required by Legislative Decree 81/2008.

The headquarters of Deluxe Brass Srl has the certificate of viability; the plant complies with European directives as required by the certificate of conformity of the electrical system.

Deluxe Brass Srl, even in terms of the type of logistics of its operating areas:

- Guarantees a healthy and safe workplace;
- Adopts appropriate measures to prevent fires and damage to health that may occur during or as a result of work;
- Minimizes, however reasonable and practicable, the causes of danger attributable to the workplace;
- Ensures regular and documented training on safety and health for its employees; this training is repeated for new personnel and at the time of job change;
- Establishes systems to identify, avoid or face potential health and safety risks for all personnel.

Personnel training on health and safety is carried out at the time of hiring and when there are changes/updates to the reference legislation. Safety training is regularly recorded and covers the following topics:

- Plant safety;
- Personal protective equipment;
- First aid;
- Fire-emergencies.

Various initiatives and measures have been adopted to prevent accidents, damage to health and other causes of danger. The main ones are:

- Responsibilities, procedures, operating instructions for the support and direction of individual conduct have been formalized in some internal work instructions, agreed on with workers;
- Timely respect for the DVR and the training required by the binding legislation.

#### 3.3 INJURIES AND ILLNESSES IN THE WORKPLACE

With a view to safeguarding the health and safety of workers, it is considered appropriate to monitor the number of injuries with respect to the number of employees.

Year	No. injuries	No. workers	No. injuries/No. workers
2019	0	66	0%
2020	1	65	1,5%
2021	1	69	1,4%

Comment: no accidents occurred in 2019. While in 2020 and 2021 1 minor accident occurred during the journey. In the first half of 2019, there was an injury lasting 8 days due to the fall of a wire coil on an operator's foot. The objective of Management remains to be able to maintain the number of injuries low by increasing the control activities on safety systems.

#### 3.4 CAUSES OF INJURY

In the galvanization sector, occupational illnesses originate from both the mechanical and chemical and electrochemical sectors. The possible causes of injuries identified can be mainly traumatic injuries ,the fall or

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movement of mobile objects, the risks associated with inhalation and contact with harmful and aggressive substances that are present during processing.

Thanks to the company's constant attention to prevention and training, there have been no significant injuries in recent years.

**3.5 OCCUPATIONAL ILLNESSES**

From the result of the medical examinations carried out and the annual doctor's reports, no cases of professional diseases were detected.

At the date of this review, there are no open lawsuits against the company for occupational diseases.

**3.6 PREVENTION AND TRAINING ACTIVITIES**

The absence of injuries and occupational illnesses is strictly related to prevention and awareness-raising activities, the organization of courses and the purchase and distribution of personal protective equipment, but also to the awareness of personnel. Internal training courses on health and safety are organized periodically, in which all workers and also the Management participate.

The company provides its employees with the necessary prevention clothing and work equipment; by means of a "clothing and PPE delivery form", all male and female employees are provided with a specific protection set that can include, depending on the specific risks of the work department, safety footwear and eyewear, gloves, apron, gas and dust mask, harnesses, protective helmet and earpiece.

**3.7 HEALTH AND SAFETY IN NON-PRODUCTION COMPANY AREAS**

The company's focus on health and safety does not end in the production areas, but also extends to non-production company areas (offices, administration, etc.), to ensure safety and cleanliness in all areas.

Since the last internal audit on 18/01/2021, no situations emerged that could trigger a system modification action.

**3.8 PERCEPTION OF SAFETY IN THE WORKPLACE**

In order to develop the knowledge of the perception of safety in the workplace, an internal questionnaire was given on employee satisfaction, which also shows the perception of safety on the part of the workers, from which a high safety level emerged regarding questions submitted to workers and the number of workers. This aspect is of extreme importance to us so we will repeat this questionnaire on an annual basis in order to follow the possible evolution of the same.

**3.9 SITUATIONS OF HARDSHIP**

Deluxe Brass Srl respects and favours moments of social relations and associations. The company respects the right of all personnel to form and join trade unions of their choice and the right of workers to collective bargaining. Management assures the Workers' Representative continuous and fruitful collaboration with all employees through the physical availability of areas for moments of social interaction and discussion between the workers and Management of the company.

During the course of activities, no situations of hardship emerged, nor did they emerge during the internal audits. Respecting the different responsibilities, attention to the dialogue with workers has favoured the affirmation of a mentality oriented to the resolution of problems through the involvement of parties; therefore, a climate of constructive collaboration has been strengthened at the company, which has translated into the by now absence of disputes and strike hours.

**HOURS LOST FOR STRIKE**

Year	No. hours lost/ no. workers	No. hours lost for strike	No. workers on strike
2019	0/72	0	0
2020	0/65	0	0
2021	0/69	0	0

Comment: Management considers the above results to be satisfactory. No strikes of any kind have ever been reported in the company's recent history.



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### 3.10 TYPE OF COMPANY CONTRACTS

All company employment contracts are concluded by referring to the category collective contracts. To date, the situation is as follows:

Type of contract	2020	2021
Permanent	63	63
Temporary	0	1
Other forms of collaboration + Temporary	2 (apprendices)	5 (temporary)
Total	65	69

Comment: Management believes the above results to be satisfactory, showing almost all employees hired for an indefinite period. This shows how sensitive the company is to respecting workers and directly follows the management policy on personnel stabilization. Most of the temporary personnel has been hired directly by the company in recent years.

## 4. FREEDOM OF ASSOCIATION AND RIGHT TO COLLECTIVE BARGAINING

Deluxe Brass Srl recognizes to all its employees the total freedom to form, organize and participate in the unions of their choice and to negotiate collectively with the company. The company allows employees to elect their own union representatives. Deluxe Brass Srl allows union members to communicate freely with employees and provides rooms and premises for possible union meetings.

To date, there is no union representation at Deluxe Brass Srl.

## 5. DISCRIMINATION

### 5.1 PRELIMINARY REMARKS REGARDING DISCRIMINATION

Deluxe Brass Srl recognizes equal rights and duties of each of its workers without tolerating any form of discrimination. The freedom of workers is guaranteed in full of expressions without any distinction.

New hires are introduced into the company through a work interview, curriculum, objective parameters. In this sense, Management undertakes to ensure:

- recruitment is based on the ability to perform a specific type of function and/or role
- the development of the human and professional potential of each resource is promoted
- the clear understanding of the activities to be carried out, the final objectives and their influence on the internal and external quality of the supply is ensured
- the aware involvement of each resource in the qualitative characteristics of the order to be carried out is guaranteed
- growth and professional development plans are scheduled and implemented compatible with the organizational and operational needs of the company
- the status of the employment relationship and the skills of the resources are periodically assessed.

### 5.2 FEMALES AT THE COMPANY

The female presence at the company represents almost 62% of the workforce. This composition of personnel does not highlight any discrimination between genders.

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### 5.3 FOREIGNERS AT THE COMPANY

The presence of foreign workers shows a certain awareness towards non-discrimination. This is mainly due to a high percentage of job applications from foreign workers in the Valdarnese area.

## 6. DISCIPLINARY PRACTICES

### 6.1 PRELIMINARY REMARKS REGARDING DISCIPLINARY PRACTICES

The company continues to undertake not to support, even in its own chain of suppliers, anyone that implements disciplinary procedures that are not foreseen in any way by the relevant legislation on the subject. To date, there are no elements to be able to say that not only Deluxe Brass Srl, but also its main subcontractors, adopt incorrect practices towards workers.

### 6.2 EVALUATION OF DISCIPLINARY PRACTICES

Recourse to various disciplinary practices has never been necessary, demonstrating the actual, existing company climate of respect. The disciplinary sanction of a verbal and written warning and of disciplinary dismissal for unjustified absences from work has never been applied.

The number of complaints of physical, verbal or sexual abuse from company to a worker or between workers, which can be presented anonymously, was zero at the date of this review.

Personnel was informed, through public notice, of the possibility of filing complaints. In this regard, there is a special collection box at the company where workers can submit their complaints. This box is controlled exclusively by RSGRS, in the presence of the two RLSGRS on a monthly basis; in the presence of complaints, suggestions and near misses, the aforementioned figures will ensure the correct management of the same complaints, by reporting to Management and, if Management fails to implement the necessary corrective actions, the RLSGRS Workers' Representative will directly contact the Entity in charge of monitoring the correct application of our company Social Accountability System.

## 7. WORKING HOURS

### 7.1 PRELIMINARY REMARKS REGARDING WORKING HOURS

The working hours of Deluxe Brass Srl are forty hours per week, as per the national labour contract, from Monday to Friday:

07:45 – 16:45

Any changes in the distribution of hours during the week are agreed with workers, as well as the planning of holidays, leave and permits.

### 7.2 EVALUATION REGARDING WORKING HOURS

Overtime work was carried out only on the occasion of special circumstances. These are exceptional and short-term cases that cannot be dealt with by hiring new personnel. Overtime is always agreed with individual workers and never exceeds the limits defined by the national collective contract.

In line with the provisions of the supplementary agreements agreed with the representatives of the trade union organizations, overtime work is remunerated according to the provisions of the National Collective Labour Contract (CCNL) for employees of companies in the metalworking sector, thus improving the provisions of national collective contracts.

### 7.3 WORKING HOURS AND OVERTIME

Data will be collected to analyze the hours worked, to verify the proportion between working hours and overtime, by means of the table below.

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Year	2019	2020	2021
% Overtime working hours / Total hours worked (230 work days per year x 8h)	2750,5 / 110880 <b>(2,50%)</b>	35 / 102802 <b>(0,03%)</b>	1750 / 54.108 <b>(3,23%)</b>

## 8. REMUNERATION

### 8.1 PRELIMINARY REMARKS REGARDING WORKING HOURS

The company pays workers remuneration in accordance with the CCNL for employees of companies in the metalworking sector. The remuneration received is therefore able to satisfy the basic needs of workers and provide them with some discretionary earnings.

The statements accompanying pay slips indicate the various items that make up the remuneration. There are no withholding amounts for disciplinary purposes. Overtime is paid as per the contract.

Pay slips are sent regularly every month. The amount indicated is paid the same day by bank transfer with value date on the same day.

The company undertakes not to stipulate undeclared work agreements and false apprenticeship programs for personnel, based on current legislation on labour and social security.

### 8.2 REMUNERATION

Average remuneration paid to employees is in line with the provisions of national contracts and well above, albeit in varying degree depending on the function performed, the relative poverty threshold set at national level and therefore able to satisfy the fundamental needs of workers and guarantee a portion of additional income for discretionary purposes.

Overtime is paid with an increase compared to what is provided for in national collective agreements..

### 8.3 YEAR-END BONUSES AND INCENTIVES

For employees who achieve excellent results at the end of the year, it will be evaluated to identify higher remuneration than the CCNL for employees of companies in the metalworking sector. This will be a recognition made by Management to employees who have demonstrated skills, willingness and results achieved.

## PART TWO: SYSTEMIC ELEMENTS

## 9. MANAGEMENT REVIEW

At least once every six months, the Social Accountability Management System is subject to a review by Management aimed at verifying the adequacy, appropriateness and continuous effectiveness of the policy, procedures and results of performance in compliance with the requirements set by the SA8000 standard and other requirements, also in light of the results deriving from the audits of the system, from changes in the situation and from the commitment to continuous improvement.

Following the system review activity, the SA8000 Report is updated with a description of the results achieved and an indication of the new objectives.

## 10. INTERNAL AUDITS

Every six months, the Social Accountability Management System is subjected to a complete audit cycle aimed at verifying the adequacy, appropriateness and continuous effectiveness of the system in compliance with the requirements of the SA8000 standard and other requirements.

An internal audit was carried out in July 2021; an audit plan is also being extended to subcontractors for verification of the supply chain.

In 2020, 4 audits were carried out at the subcontractor Tisha Legatura srl on 28/01/2020, 26/05/2020, 23/10/2020 and 03/12/2020. In 2021, 2 audit were carried out on February and June.

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## 11. EXTERNAL AUDITS

Deluxe Brass Srl has supported various external second-party audits carried out by the customers (Kering group (Gucci, etc.)), which were concluded positively.

## 12. ANALYSIS OF SATISFACTION OF INTERESTED PARTIES EXTERNAL TO THE COMPANY

To date, at Deluxe Brass Srl there have been no verifications by control bodies (ASL, ARPAT, etc.).

For complaints and/or reports relating to the Social Accountability System of Deluxe Brass Srl, it is possible to contact the certification body IMQ SpA or the accreditation agency of certification bodies - SAAS.

**IQNet Ltd** - Ente di certificazione  
 Bollwerk 31 Phone: +41 31 310 24 40  
 Bern e-mail: [iqnetltd@iqnet.ch](mailto:iqnetltd@iqnet.ch)  
 Switzerland website: [www.iqnet-ltd.com](http://www.iqnet-ltd.com)

**IMQ Spa**  
 Via Quintiliano 43, 20138 Milano  
 Email: [info@img.it](mailto:info@img.it)

**SAAS - Social Accountability Accreditation Services**  
 Email: [saas@saasaccreditation.org](mailto:saas@saasaccreditation.org)  
 Website: [www.saasaccreditation.org](http://www.saasaccreditation.org)

**SAI - Social Accountability International**  
 Email: [info@sa-intl.org](mailto:info@sa-intl.org)  
 Website: [www.sa-intl.org](http://www.sa-intl.org)

For now, the management system for social accountability has had no feedback on elements of dissatisfaction of employees or of interested parties.

## 13. SOCIAL PERFORMANCE TEAM

On 01 august 2019, the Social Performance Team (SPT) was formed, consisting of members of Company Management, RSGRS, Human Resources Manager, the two RLSA8000, RSPP, RLS.

The SPT met for the first time on 11/09/2019 and, after an introduction of RSGRS on the new SA8000:2014 standard and on the tasks and roles of the SPT, it addressed some key issues such as employee satisfaction (the results of the employee satisfaction questionnaire of July 2019 were analyzed), some reports collected by the two RLSA8000, the targets for 2019/2020 and a detailed risk analysis was set up (FMEA technique) from which some priority risks emerged.

The last meeting was on 16 July 2021, where the results of the internal satisfaction questionnaire administered in May 2021 were analyzed.

The SPT will meet every three/four months.

During each meeting: there will be a discussion regarding the reports of operators received directly, through questionnaire or suggestion box; the risk assessment will be updated to confirm or otherwise the internal criticalities; new projects and new ideas will be presented to improve the company climate.

## 14. IDENTIFICATION AND ASSESSMENT OF RISKS

The SPT has identified and assessed the greatest risks in terms of ethics and safety for the company. With the FMEA technique, risks were identified for each point of the standard and they were assessed with values of Probability, Impact and Detectability to quantify the Risk index as a product of the three factors.

It emerged that there are some medium priority index risks for which improvement actions have already been envisaged to mitigate the risk.

## 15. SOCIAL FINGERPRINT: SELF-ASSESSMENT QUESTIONNAIRE

In December 2019, the company carried out the self-assessment questionnaire (Self Assessment) available on the SAI website as required by the new SA8000:2014 standard. The overall result was generally good for all points of the new standard with a final Average Overall Score of 4.1 points out of a maximum of 5.

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## 16. ANALYSIS OF NON-CONFORMITIES

For now, the management system for social accountability has not found situations configurable as NC, in terms of severity and extension.

## 17. REMEDIAL AND CORRECTIVE ACTIONS

For now, the management system for social accountability has not activated remedial or corrective actions other than those opened following internal audits or for suppliers. All remedial actions taken after the internal audit performed in June 2020 have been successfully activated.

## 18. ACTIONS PLANNED DURING PREVIOUS REVIEWS

The previous review had not highlighted any particular actions to be taken, given the excellent level of compliance of the system.

## 19. OPPORTUNITIES FOR IMPROVEMENT

As regards the opportunities for improvement, reference is made to the status of the general objectives outlined in the matrix.

The company is committed to respecting said objectives.

The observations that emerged in the second-party audits commissioned by customers are always considered as suggestions for company improvement.

## 20. PERFORMANCE OF SUPPLIERS REGARDING SOCIAL ACCOUNTABILITY

In the process of adapting to the SA8000 standard, particular attention was paid to the ability of suppliers to meet the requirements of the standard, not only because expressly required by the standard, but for the concrete possibility, involving players upstream of the production chain, to extend compliance with fundamental principles recognized internationally.

Company management intends to achieve complete collaboration with respective company management in order to improve the management system and to adapt it to the principles of the standard, correcting the criticalities highlighted.

In defining supply contracts, preference is for companies that best meet the requirements of the SA8000:2014 standard and that are willing to improve their management system. In this regard, a specific supplier selection questionnaire was developed and sent to the usual suppliers. The aforementioned questionnaire is also used as a pre-selection method for new suppliers.

On the basis of the criticalities that emerge from the analysis of the results of the specific questionnaire, an intervention plan regarding suppliers is defined, through initiatives aimed at making them aware of the issue of social accountability and aimed at carrying out intervention actions in order to remove the criticality situation.

From the questionnaires completed by the main suppliers, general attention to the issue of social accountability emerged, no severe compliance cases were found; in the sporadic cases of non-compliance, the form SA.MOD.007 "Criteria for assessment and criticality - Supplier questionnaire" was sent to suppliers, completed with details of criticalities and time frames to resolve them. In other cases, there was an incorrect interpretation of a request by the supplier, which was promptly clarified with the same by confirmation of the correction by e-mail.

In 2020, 4 audits (quality-environment-ethics-safety) were also carried out at the main sub-supplier TISHA LEGATURA SRL and in 2021 2 audit were carried out at the same sub-supplier.

## 21. SOCIAL ACCOUNTABILITY OBJECTIVES

The objectives of the social accountability system are outlined in the Matrix for SA8000 on the "Objectives" sheet, indicating the objectives, targets, actions and dates of implementation and verification.

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## 22. SOCIAL ACCOUNTABILITY INDICATORS

The INDICATORS of the social responsibility system are outlined in the Matrix for SA8000 on the "indicators" sheet, indicating the targets the company wants to reach

## 23. AMENDMENTS TO LEGISLATIVE PROVISIONS

At the time of drafting of this review, we were not aware of amendments to provisions of law that have a direct impact on social accountability. However, Deluxe Brass Srl has active channels through which to ensure that it becomes aware of any legislative amendments that may be introduced.

## 24. POSSIBLE CHANGES IN THE TECHNICAL-PRODUCTION ORGANIZATION

To date, there are no significant events to be reported.

Levane-Bucine (AR), June 16, 2021

for content approval

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SA8000 workers' representatives

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