



SA8000:2014 REPORT OF **LUBE Srl**

Date	Drawn up by	Verified by	Approved by
16.02.2021	RSG	SPT	Direction



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1. INTRODUCTION

LUBE S.r.l. is pleased to present the SA8000 report for the year 2020.

This document aims to disseminate the objectives that LUBE srl intends to pursue in a transparent, clear and complete way, to employees, collaborators, suppliers, customers, institutions and all the people with whom the company comes into contact. In particular, our goal is to ensure a socially responsible work environment and professional growth of personnel in compliance with the requirements of the SA8000: 2014 standard.

Through the SA 8000 certification, the company intends to distinguish itself as a socially responsible company, pursuing a policy oriented towards the observance of the fundamental rights of workers and the health and safety of workplace conditions, in full compliance with the requirements of the standard.

This report intends to provide the SA 8000 means and tools to verify observance with its corporate policies to stakeholders and anyone interested. Specifically, SA8000 report is drawn up annually and is the result of the collaboration and the involvement Management itself and of the members of the Social Performance Team (SPT). Its diffusion is guaranteed through the publication of the document on the website of the organization www.lubesrl.it and through its distribution within the organization itself.

2. THE SOCIETY

Denomination	LUBE Srl established in 1983
Headquarter	7, Via Catalani Alfredo - 50050 Cerreto Guidi (FI)
Contatti	tel 0571 581182 fax 0571 581183 email lubesrl@lubesrl.it sito internet www.lubesrl.it
Subscription	Number REA FI 361930
C.F./P.IVA	03388310488
Corporate purpose	Design and manufacture of knitwear accessories

2.1 Company and product presentation

LUBE was founded in 1962 by the parents of the current owner, **Claudio Lunardi**. For about 25 years the productions went in parallel: knitwear, finished women's products, accessories for the clothing industries.

Over time, the company has undergone a clear transformation with the only specialization in accessories and with a service of yarns ready in stock. Today LUBE focuses its attention on quality and trendy products; in fact, it is no coincidence that the existing customer is





made up of the best international brands.

The production includes the use of the following worsted and carded yarns: pure cashmere, cashmere blend, pure wool, merino, extra merino with angora, pure cotton, silk, silk and cashmere, polyester, nylon, acrylic wool blend, viscose, superkid mohair, etc... for all these yarns LUBE has a good stock service in various colours in its warehouse. All yarns are mixed with a special type of elastic during their production. Furthermore, LUBE uses the latest generation of electronic machinery in the manufacturing process, for all gauges.

Following a growing investment, especially in recent years, LUBE has gradually led to almost 100% of its production being carried out within the company, without making use of external laboratories: even the fulling of the carded yarns is carried out by LUBE. All this in order to improve quality and service.

The products are subject to accurate quality controls before being validated for shipment to the customer.

LUBE has been working for years in compliance with the principles of social and environmental responsibility, already since 2009, through an important photovoltaic system of approximately 100 kW which produces clean energy and works in a total independent way from the point of view of energy consumption.

LUBE's manufacturing consists of collars, cuffs, inserts, bands, ribs, polo collars, t-shirt cuffs and modelling of fabrics lowered according to customer requests.

Over the years, LUBE has developed its mission with the utmost attention to customer needs and through an increasingly targeted and timely response service.

LUBE's mission:



LUBE Srl

**Quality and excellence of products and services,
attention and timeliness in responses to the customer,
guided by principles of environmental sustainability and social
responsibility**



2.2 LUBE srl Social Responsibility Policy



LUBE Srl considers the social aspect of the company and the resulting responsibility to be very important. The choice to adopt a **SA8000: 2014 management system** and then to certify it fits coherently into this path, representing a further element of strengthening the policies and **objectives** of social responsibility towards workers and helping to fuel the widespread sensitivity towards a management socially responsible.

For this reason, LUBE Srl intends:

- **To increase the company's social responsibility** through the assumption of precise commitments aimed at the workers;
- **To ensure transparency in the management of human resources** through new ways of involving workers;
- **To control ethics and social correctness** in the chain of suppliers and contractors.

The expected advantages of this choice are:

- **Increase the level of monitoring of risks** relating to compliance with social responsibility requirements (and the related Italian laws) in particular in the supply chain;
- **Always represent for its customers a reliable partner** committed to ensuring compliance with the principles of social responsibility and attention to quality and occupational safety of both its employees and those of suppliers;
- **Further attention to equal opportunities** and the enhancement of diversity;
- **Opening of a further channel of dialogue with workers**, both towards individuals and trade union organizations.

LUBE Srl undertakes to:

- Comply with current national legislation, international convention and recommendations including the resolutions of international bodies such as the ILO - International Labor Organization and the UN - United Nations Organization regarding all the requirements of the standard;
- Ban on the use of child labour (ILO Conventions 182, 138 and Recommendation 146);
- Ban on the use of forced labour (ILO Conventions 29 and 105);
- Respect the freedom of association and the right to collective bargaining (ILO Convention 87, 98, 135);
- Combat all forms of discrimination and unequal treatment (in recruitment, pay, access to training, career promotions, termination of employment or retirement) based on issues of ethnicity, territorial or social affiliation, nationality, religion, disability, gender, sexual preferences,



family responsibilities union membership, political opinions and age or any other condition that could give rise to discrimination (ILO Convention 100, 111, 159, 169, 177, 181, 183);

- Condemn all illegal conduct likely to come into conflict with dignity or physical and/or moral integrity;
- Completely and impartially apply the national collective labour agreement to all employees, punctually paying the established salary and paying all the related social security, welfare and insurance contributions (ILO Convention 131);
- Respect working hours by meeting the needs of workers (ILO Convention 1 and Recommendation 116);
- Guarantee the protection of maternity and paternity, as well as disadvantaged people (ILO Convention 183 and 159);
- Promote and improve the conditions of safety and physical and mental well-being of its collaborators with improvement and corrective actions (ILO Convention 102, 155 and Recommendation 164);
- Involve all suppliers of goods, activities and services and their commitment to social responsibility by complying with all the requirements of the reference standard;
- Develop and extend information, communication, education and training processes and promote dialogue with interested parties, to ensure efficient and effective application of the company's integrated system.

LUBE Srl believes that all of this can make a decisive contribution to improving the general conditions of management and enhancement of human assets and, to this end, undertakes to send all interested parties (employees, suppliers, customers, public opinion, trade unions, public authorities and NGOs) a strong message aimed at awareness, compliance and application of the requirements set out in the SA8000 standard.

To ensure that this Policy is understood, implemented and supported at all company levels and by all collaborators of the organization, the Company Management has implemented the following initiatives:

- Display a copy of this Policy for inspection by all staff;
- Publication on the company website (in Italian and English) to facilitate viewing by all interested parties.
- Training and meetings with all staff on social responsibility.

Periodically, at least every six months, the management evaluates the continued suitability and adequacy of this social responsibility policy and verifies the achievement of the improvement objectives issued for the application of the principles set out above.

Below are the references of the certification body that we have chosen, of SAI, the body that developed the standard, and of SAAS, the accreditation body of certification bodies in the SA8000 area:

Certification body

RINA Services S.p.A. | Via Corsica, 12 - 16128 Genova, P. +39 010 53851
crt.accreditation@rina.org

Standardization and accreditation body

SAI - Social Accountability International
15 West 44th Street | New York, NY 10036 Phone: 212-684-1414 | Fax: 212-684-1515 Email: info@sa-intl.org
SAAS - Social Accountability Accreditation Services 15 West 44th Street, 6th Floor New York, NY 10036
tel: (212) 391-2106 fax: (212) 684-1515 saas@saasaccreditation.org



2.3 LUBE Srl code of conduct

LUBE Srl takes care to ensure that its products are manufactured in compliance with this Code of Conduct. To this end, it undertakes to share the common goal and commitment to ensure high social, ethical and environmental standards with its partners/customers and suppliers in compliance with all applicable legal and mandatory requirements, the main international conventions on human rights (ILO) and voluntary standards (e. g. SA8000 Standard, OEKO-TEX® STeP Standard).

LUBE SRL considers it essential to involve its entire supply chain in the application of the principles contained in this Code of Conduct, requiring its suppliers to comply with the principles set out below both in the selection of new suppliers and in the continuation of commercial relations.

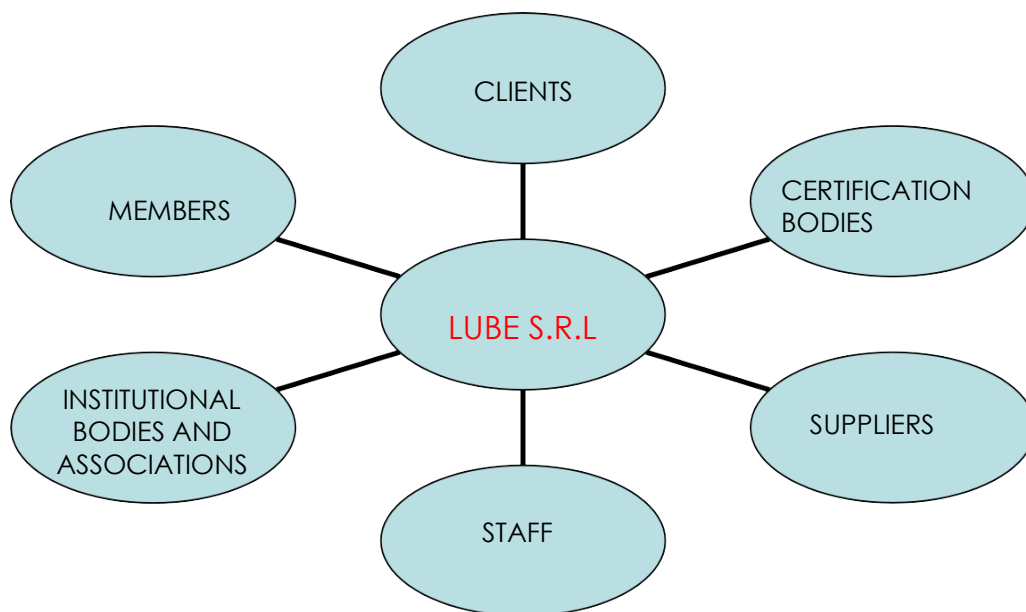
In particular, LUBE undertakes to comply with the following requirements:

- Fair and respectful treatment of personnel
- Dignified and ethical working conditions for personnel
- Respect for the freedom of association and the right to collective bargaining
- Absence of child labour and compulsory in all its forms and expressions
- Existence of measures to ensure working conditions of personnel in compliance with health and safety
- Absence of any form of discrimination against staff
- Non-use or support of forms of coercion or punishment
- Respect of working hours (including overtime) and of the remuneration agreed with its workers in order to cover all the needs and expenses necessary for the workers
- Measures to ensure that finished products are safe and not harmful to health
- Development and use of environmentally friendly technologies and chemical products
- Measures for efficient use of resources and progress towards green chemistry
- Responsible waste disposal and a precautionary approach to environmental challenges
- Fair business behaviour and practices through the prevention of corruption and possible lawsuits
- Working attitudes guided by the values of integrity, honesty, contractual correctness and full compliance with all legal requirements as well as the criteria of the OEKO-TEX® STeP requirements.



2.3 Stakeholder

The term “stakeholder” refers to people inside and outside the company who have an interest of any kind towards the company itself, which takes the form of a series of expectation in the form of information needs, economic interests, etc. the following chart shows the main stakeholders identified by LUBE srl to verify the ability to answer to the needs and requests of each through an open, transparent and trust-based dialogue.



Members

Social responsibility towards them is expressed through respect for principles such as equal treatment and valorisation of the company.

Staff

Their involvement, participation in the definition of the human resources system, together with the company's top management, is fundamental for the successful implementation and application of the system. The involvement of the staff of LUBE Srl is made possible through moments of information, meeting, awareness and training.

The number of employees/collaborators at 31/12/2020 is 25.

Suppliers

The stakeholder 'suppliers' includes all the subject from which the company purchases goods or services necessary for the realization of business activities. LUBE srl is committed to sensitize its suppliers on issues of social responsibility, in order to extend the application of these principles to the entire supply chain.

The company has structured a system for the selection and qualification, monitoring and awareness of its suppliers, asking them to comply with the rules and commitments that SA8000 standard requires them to fulfil.

Clients

They are the subjects for whom the products and services provided by our company are designed and manufactured. The attention that customers increasingly pay to the constant commitment to quality and corporate social responsibility is considered fundamental, values to which the market



recognizes ever greater importance.

Institutional bodies and associations

This category includes all those entities (ASL, INPS, INAIL, Labor Inspectorate, Municipality of Florence, Region, ARPAT, Fire Brigade, trade unions, credit institutes and other financing bodies) which come into contact with the company and with whom LUBE srl can develop a fruitful working relationship, considering them important subjects interested in the growth, on the territory, of a company, strongly devoted to technological and social development.

Full compliance with current legislation, maximum management and procedure transparency, willingness to collaborate are the fundamental guideline for carrying out company activities.

Certification body

To obtain the certification of its social responsibility system, LUBE Srl has chosen Rina Services S.P.A. LUBE srl has also obtained the STeP by OEKO-TEX® certification by the Centrocot Ente and also the UNI EN ISO 9001:2015 certification for its quality management system.

Through the drafting of the Social and Environmental Responsibility Report, LUBE wants to put all stakeholders in a position to evaluate the company's performance from a social point of view in the light of the objectives and planned actions.

Regarding the forms of communication of the principles, including ethical ones, of its management system LUBE makes use of:

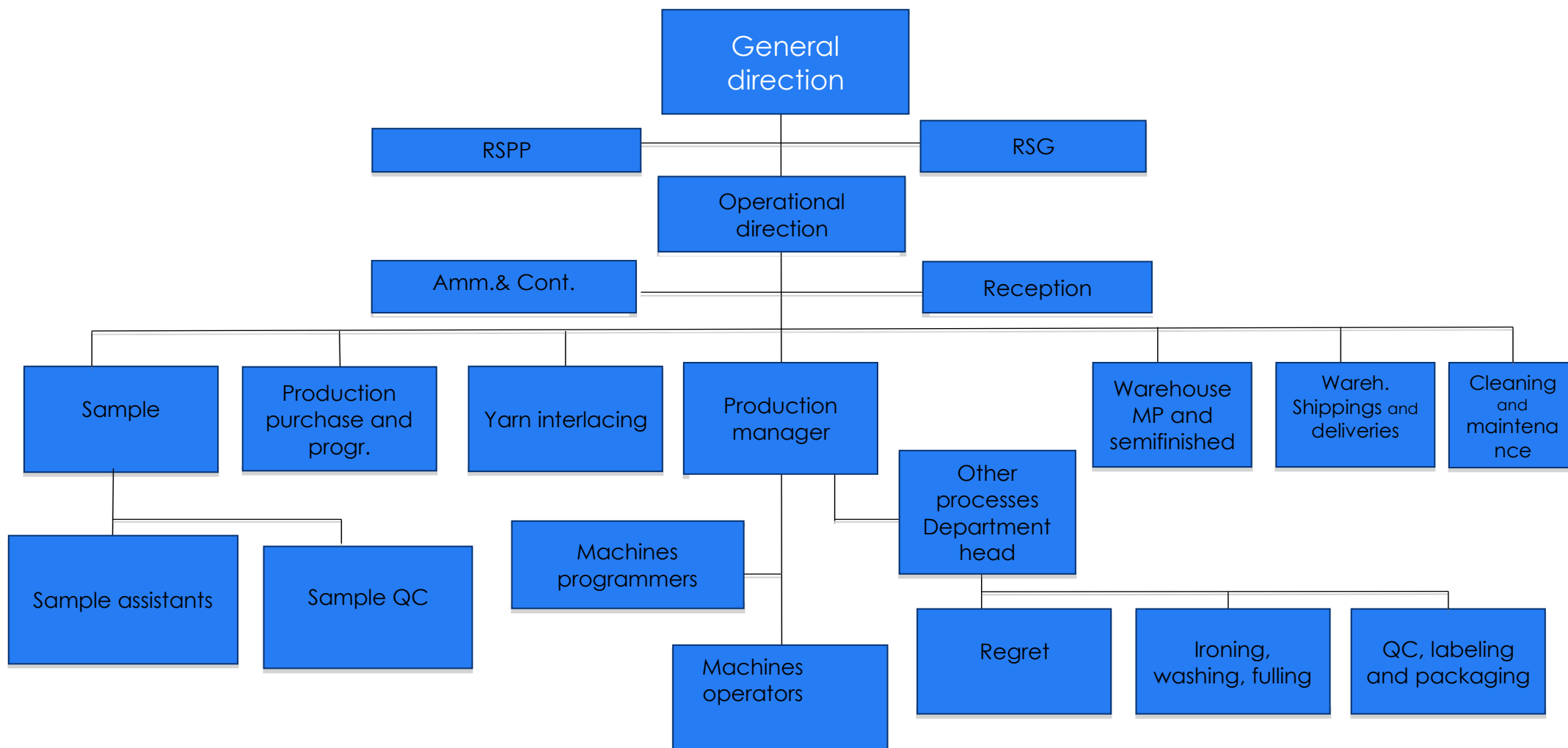
- ◆ Web site: www.lubesrl.it
- ◆ dissemination of disclosure documentation to customers and suppliers
- ◆ e-mail service for communications to external stakeholders;
- ◆ company bulletin boards;
- ◆ 1 suggestion and compliant box located near the stamping area;
- ◆ Meetings and calls for internal communications to its staff;





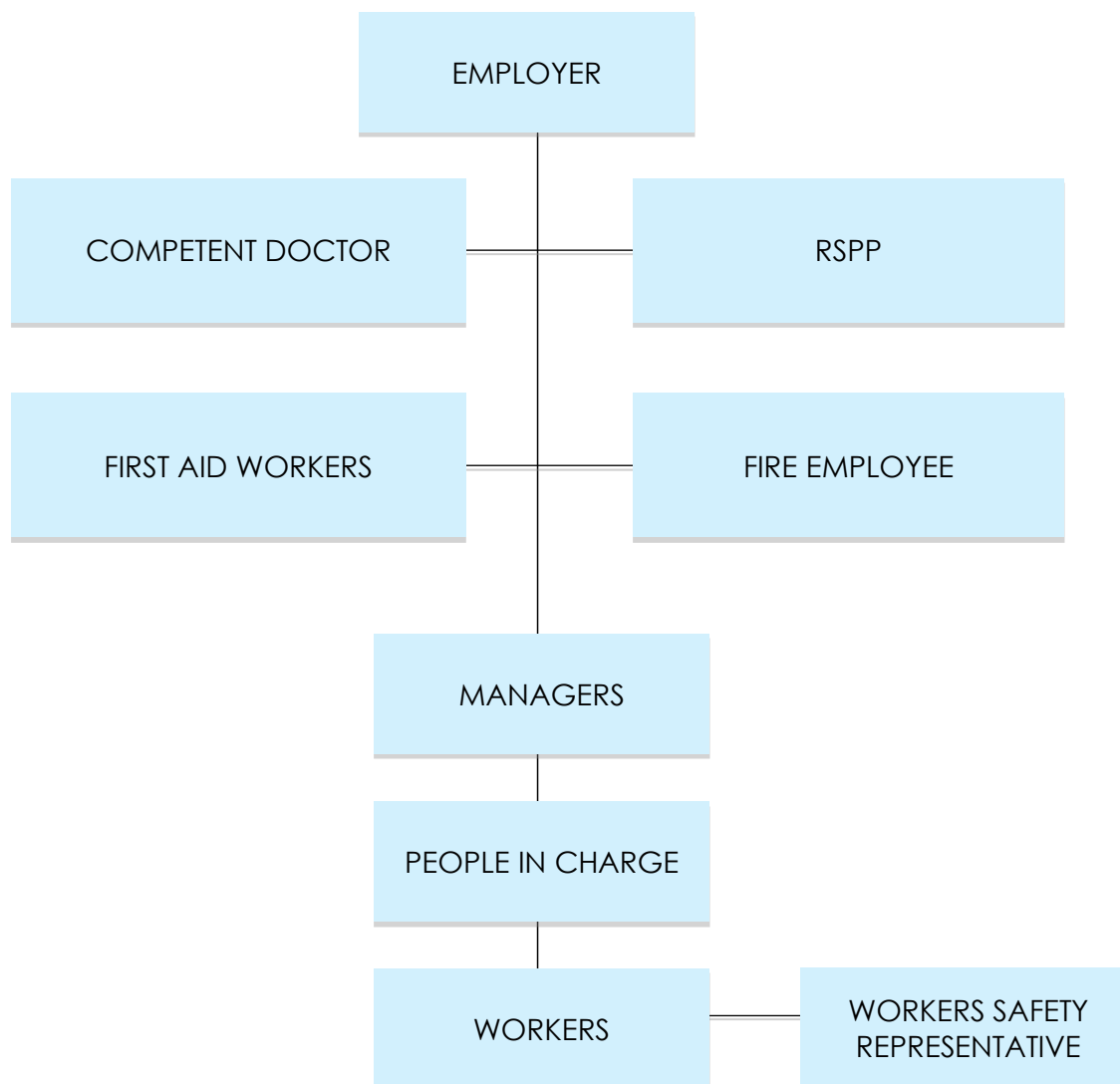
2.4. Organizational structure

The internal organizational structure of LUBE srl is defined in the organization chart below



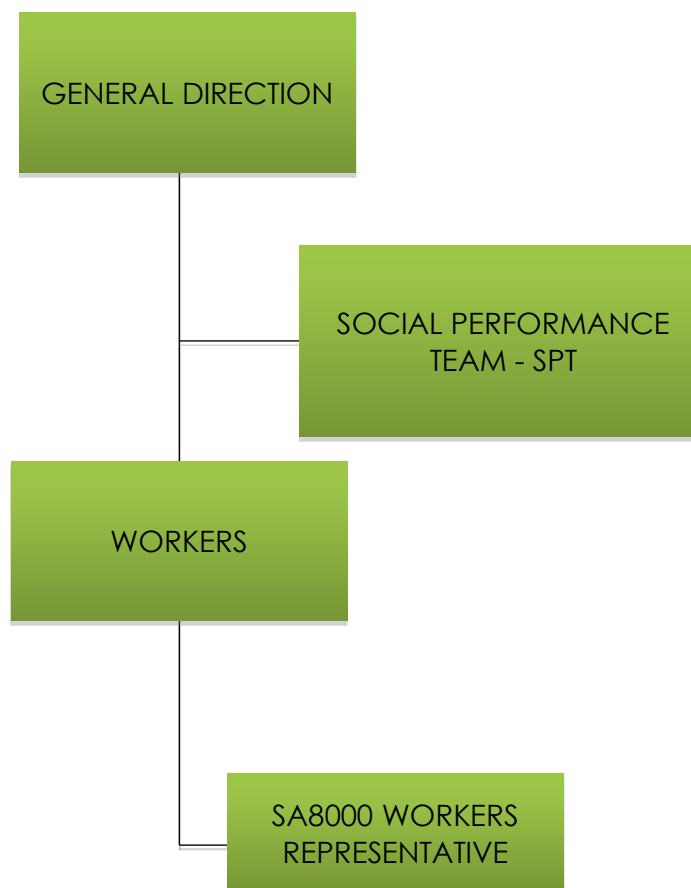


SAFETY ORGANIZATION CHART





SOCIAL RESPONSIBILITY CHART





The suppliers used by the company must guarantee, similarly to the management system adopted by LUBE SRL, compliance with the following requirements:

- not to use or encourage the use of child labour in the cycle of activities;
- not to use or encourage the use of personnel against one's will and resort to any form of work under the threat of punishment;
- guarantee all workers a safe and healthy workplace, and develop a careful risk assessment and management and an adequate training program in compliance with current legislation;
- respect the right to trade union freedom or trade union membership of its employees, not discriminating against union representatives and promoting collective bargaining;
- not to exceed the weekly hours established by the National Collective Labor Agreement guaranteeing at least one day off per week;
- prohibit any form of discrimination;
- not to use or encourage corporal punishment, mental or physical coercion and verbal violence against workers;
- ensure that the salary is not less than the minimum wage established by the National Collective Agreement for the category.



3. SA8000 STANDARD

1. CHILD LABOUR

2021 GOALS

We intend to continue the work of raising awareness and monitoring suppliers against child labour.

Participation in voluntary initiatives in support of children with the provision of a contribution to associations that support disadvantaged children.



LUBE Srl undertakes not to employ workers whose age falls within the definition of child and young worker.

However, the company has drawn up a specific procedure called P04 "Procedure against child labour" in which it identifies the interventions to be implemented in the event that the presence of a minor worker ascertained within the company or in the chain of suppliers and/or sub-suppliers.

However, it is the company's custom to hire only adult personnel and to ensure that, even erroneously, recruitment practices are carried out or initiated that do not comply with the conditions and regulations relating to the employee's age, it is requested by the company, at the time of recruitment, copy of an identity document in compliance with the provisions of the European Regulation on the processing of personal data GDPR679/2016.

2020 goals	Indicators	Risources and responsibility	Times	Results
Supplier awareness and supply chain monitoring	Declaration of commitment signed by the suppliers	General direction	31-12-2020	No supplier critical of this requirement

The average age of the staff is about 40 years. Below is the composition of the workforce by age group on 31st December 2020.

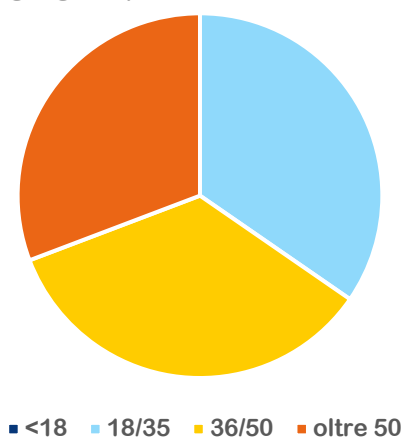


COMPOSITION OF WORKERS BY AGE

< 18	0
18-35	8
36-50	9
over 50	8

As can be seen from the table above, the age groups are distributed evenly within the company; Even if there is a low turnover of personnel within the company, with the presence of historical, integrated personnel who are replaced with young new hires upon retirement.

Staff by age group





2. Forced labour

2021 GOALS

Continuous improvement regarding the relational aspects of relations between workers through the continuous monitoring of worker satisfaction and the management of any reports.

Continuous awareness of staff on these issues.



The work carried out by all the personnel employed in the company is absolutely voluntary, no one is the victim of threats or other intimidations which force them in any way to lend their services.

Our company applies the rules established by the legislation in force and by the C.C.N.L. for all its personnel. Any form of undeclared work, illegal employment or employment relationship in violation of the law is rejected.

The company does not make arbitrary withholdings on employee salaries except in the cases provided by law or for voluntary reasons communicated by the worker (e.g. union deductions, pension funds, etc.).

At the start of the employment relationship, the responsible departments require the worker to provide the documentation necessary for ordinary fulfilment (identity card, tax code, family status, residence permit, bank details, tax deduction form, form for TFR destination, application for family unit allowance, etc.) and keeps only one copy in full compliance with European Regulation 679:2016 (GDPR). In fact, the staff is provided with detailed information on the purposes and methods of processing personal data.

The administrative office, which also deals with personnel management together with an external consultant, is available at any time to provide information and explanations regarding the employment relationship, pay slips and the CCNL applied and allows you to directly consult the contents.

Within LUBE Srl each worker is fully aware of their rights and duties; during the personnel selection phase, the same is informed about the tasks, the type of contract, the classification and any difficulties related to this task. At the time of hiring, workers receive a signed copy of the employment contract, are instructed on how to read the pay slip and are informed on how to withdraw as provided for by the CCNL applied.

In the company there are no security guards or audio-visual systems for the control of the workers and they are free to leave at the end of the working shift. The video surveillance system is installed in compliance with the legal requirements and for the exclusive purposes of guaranteeing security.

Overtime work is also voluntary and refusal does not cause any repercussions. In compliance with the provisions of the binding and contractual legislation on the matter, we provide advances on the severance pay in the cases granted and when this request is formally executed, but we never use cash loans to "bind" employees.



2020 Goals	Indicators	Resources and responsibility	Time	Results
Continuous improvement of working conditions	Number of alerts (if any)	RSG	31-12-2020	No complaints/reports
Raise workers' awareness of the SA8000 standard	Meetings with the SPT and training and awareness meetings	RSG	31-12-2020	During 2021 meetings were held with the SPT and meetings with staff on the SA8000 standard



3. Health and Safety

2021 GOALS

- Completion of expansion of the plant and improvement of the lighting system in production, toilets and refreshment rooms
- Continuous staff awareness of correct working procedures in safety
- Increase the number of emergency teams
- Meetings between the MC and staff for Covid-19 procedures



Our commitment is to ensure safe and healthy workplaces. To this end, our company undertakes not only to respond to the obligations established by Legislative Decree 81/08 and subsequent amendments, but also to implement continuous projects for the improvement of safety.

During 2020 LUBE Srl updated the risk assessment by inserting the biological risk due to the pandemic currently underway through the issue of the Anti-contagion Safety Protocol which was disclosed to all staff in order to guarantee the correct application of the rules and procedures for the containment of the pandemic. Furthermore, the Anti-Contagion Committee was appointed and the production spaces were reorganized to maintain the necessary safety distances.

LUBE, aware of the importance of respecting the rules of the Protocol, has carried out continuous monitoring by the appointed Supervisors and the Committee itself. The company undertakes to ensure that workplaces comply with the sanitary conditions of the laws in force on the subject, ensuring adequate environmental conditions for personnel to carry out their duties.

During 2020, due to the resignation of the competent doctor, the Management promptly proceeded to appoint his successor.

To date, the personnel is in line with the training required by the legal requirements, as the company has fulfilled all the deadlines envisaged on the matter. Training is scheduled for new personnel while updates are planned for personnel already hired according to needs, related to the characteristics of the role held and any changes in duties. A Periodic Meeting is held annually in the presence of the RLS, the MC and the RSPP in which the report of the Competent Doctor, the observations of the RSPP and the RLS and the evolution of the improvement plan are analysed, planning the objectives for the future. The periodic safety meeting was held on 29 January, while the evacuation drill was held on 21 January.

The company ensures the detection and monitoring of accidents and occupational diseases in order to activate appropriate corrective and improvement actions and ensures its employees basic, specific and periodic information and training relating to the risks present. No injuries to workers occurred in 2020.

A register of accidents and near misses is also envisaged in order to preventively monitor actions and situations that could be a source of accidents. During the period considered, some suggestions were made for the improvement of the management of the emergency system.

Over the past 3 years there have been no injuries to workers or occupational diseases.

Injuries		
YEAR	Injuries < 3 gg.	Injuries > 3 gg.
2018	/	/
2019	/	/



2020	/	/
------	---	---

TYPE OF INJURIES	YEARS		
	2018	2019	2020
Fractures	-	-	-
Wounds	-	-	-
Distortions	-	-	-
Muscle problems	-	-	-
Trauma	-	-	-
Bruises	-	-	-
Others	-	-	-

The absence of occupational diseases is closely linked to prevention and awareness-raising activities, and also to the organisation of training courses and the purchase and distribution of personal protective equipment delivered to workers.

Health and safety training carried out in 2020

Course	N. ore
Executive course	16
Safety workers course	16
Fire emergency procedure and other emergency scenarios	1
Training requisites foreseen by the SStep by OEKO TEX certification	1

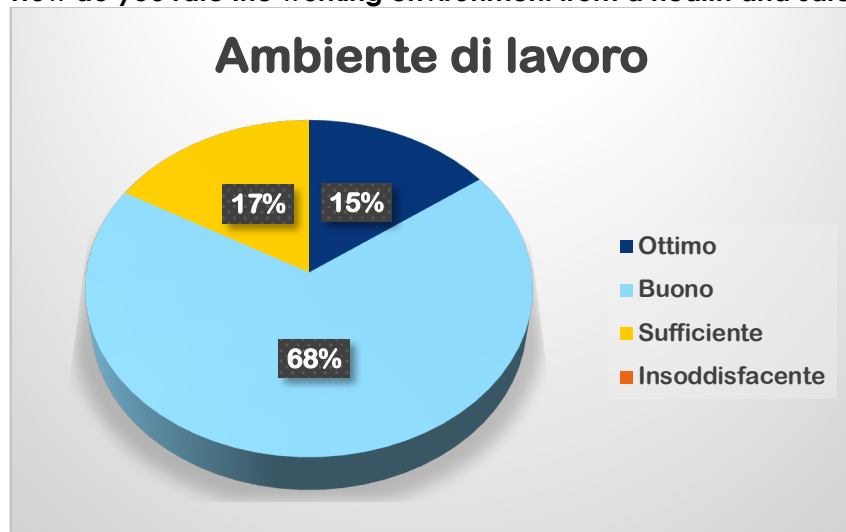
Results of the climate survey carried out in January 2021 regarding aspects of the working environment.

How do you evaluate the organization of safety in the company





How do you rate the working environment from a health and safety point of view



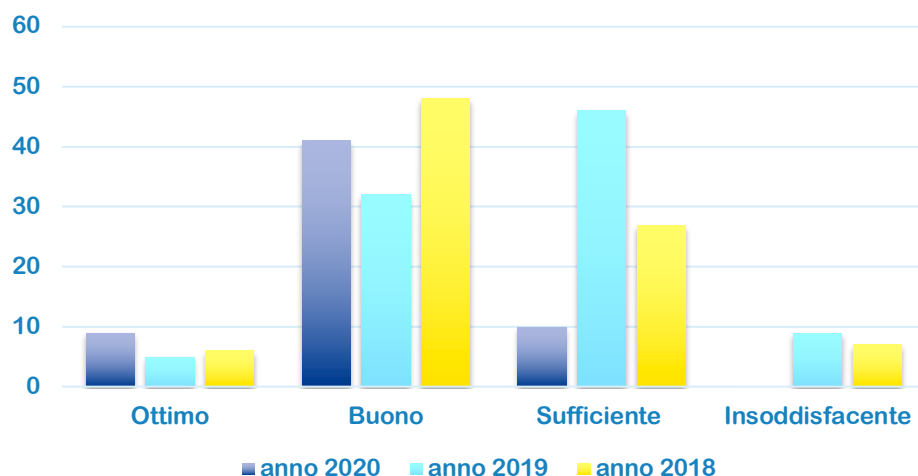
Compared to the anonymous questionnaire administered in 2018 and 2019, there was a substantial improvement in staff satisfaction with regards to safety aspects.

Below are the graphs of the surveys of the last 3 years compared:





Ambiente di lavoro salute e sicurezza



2020 GOAL	Indicators	Resources and responsibility	Time	Results
Training and updates for workers	N. total hours of training	RSG	31-12-2020	Staff are trained in health and safety (all deadlines have been met)
Absence of injuries	Injury frequency rate and injury severity rate	RSPP	31-12-2020	0 accidents and 0 occupational diseases



4. Freedom of association and right to collective bargaining

2021 goals

Continuous staff awareness on issues relating to the employment contract



The company respects the right of all personnel to freely join trade unions and the right to collective bargaining, guaranteeing all the rights provided for by current legislation on the matter and by the C.C.N.L. and the prevention of any form of discrimination against union members or representatives. In the event that union representatives are elected, they will not be subject to any type of discrimination and will be able to communicate freely with workers in the workplace. Company spaces are available for trade union communications and for any trade union meetings. To date, only one worker is registered with trade union associations.

2020 GOAL	Indicators	Resources and responsibility	Times	Results
Continuous staff awareness on collective bargaining	Training meetings/meetings with staff	SA8000 workers representative and Management	31-12-2020	The staff was involved directly and through the workers' representative for the Social manager.



5. Discrimination

2021 GOAL

- **Maintaining the existing situation of non-discrimination**
- **Periodic monitoring of staff satisfaction also through survey questionnaires**



LUBE srl does not practice any discrimination of personnel in the context of recruitment, salaries, access to training, career promotions, termination of employment or retirement, based on issues of ethnicity, territorial or social affiliation, nationality, religion, disability, gender, sexual preference, family responsibilities union membership, political opinion and age or any other condition that could give rise to discrimination;

In order to ensure that no discrimination is made, LUBE undertakes to:

- select personnel considering objective elements such as experience, ability, professionalism, education in relation to the functions to be filled;
- pay the salary to each employee based on the duties performed in compliance with the provisions of the National Collective Labor Agreement;
- carry out level promotions based on the ability of individuals and the organizational needs of the company;
- carry out training for everyone according to organizational and development needs, the possibility of participation of individuals and professional growth opportunities for employees;
- carry out retirements on the basis of current regulations;
- carry out dismissals in the cases permitted by law and in no case for discriminatory reasons.

In order to prevent any form of discrimination during work, an anonymous complaints mechanism has been set up (report box) which allows workers to report any discrimination suffered, and the company to implement all necessary measures to avoid repetition of the event. At the moment this tool is little used.



The table below shows the roles covered in the company. There is an equal distribution between female and male personnel. In addition to the three directors of the Company, there are no employees who hold the role of Executive and Manager.

Levels by gender

Levels	Male	Female
Manager	0	0
Quadri	0	0
Employee	1	5
Workers	12	7
Others	0	0

Breakdown of the workforce by type of contract

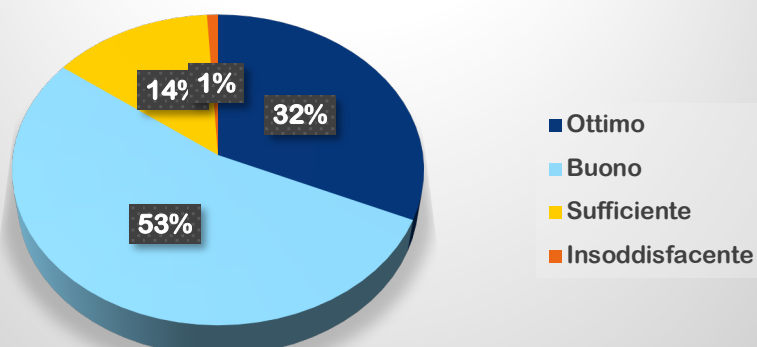
Type of contract	Male	Female
T. I	11	12
T. D	2	0
Others	0	0

2020 goal	Indicators	Resources and responsibility	Times	Results
Maintaining the existing situation of absence of discrimination	Number of complaints/reports	SA8000 workers representative	31-12-2020	Analysis of questionnaires on the company climate, no reports on the matter

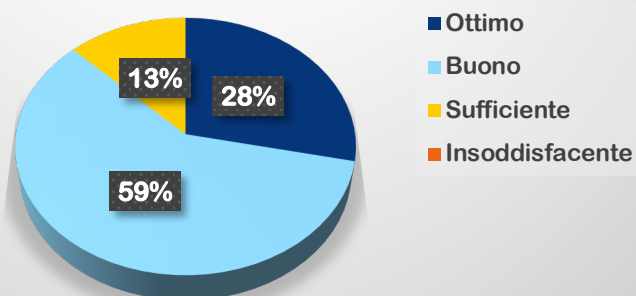
The results of the workers' climate survey carried out in January 2021 are shown below.



Contesto lavorativo e relazionale

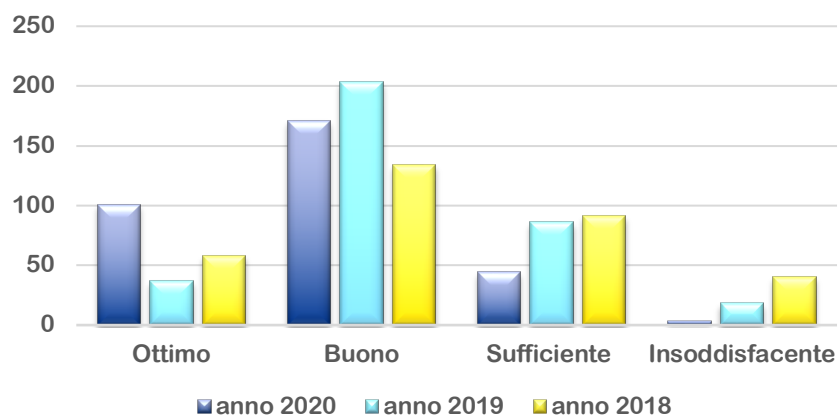


Formazione ed informazione



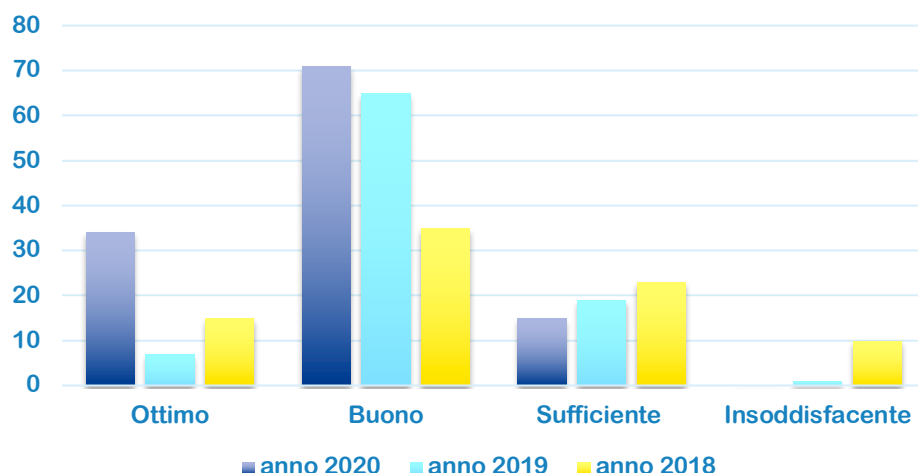
The comparison data on satisfaction relating to the last three years are shown below

Contesto lavorativo e sistema relazioni





Formazione e informazione interna



6. Disciplinary practices



2021 Goals

- Maintenance of the absence of disciplinary sanctions
- Continuous awareness of staff on the correct behaviour to keep at work

LUBE Srl refrains from using and/or supporting any form of corporal punishment, mental or physical coercion, as well as verbal abuse against its personnel, considering all this contrary to its ethics and culture. LUBE Srl implements, in compliance with art. 2106 of the Civil Code, in art. 7 of the Workers' Statute and the applicable CCNL a company disciplinary code. Therefore, a Company Regulation has been drafted which personnel sign upon hiring in order to clarify the obligations and rights of workers while defining the company rules. The Regulation makes express reference exclusively to the applicable CCNL with regard to the disciplinary sanctions envisaged.

Over the last three years, no disciplinary sanctions have been applied to employees.

Sanctions	2018	2019	2020
Written recall	0	0	0
Fines	0	0	0
Suspensions	0	0	0
Dismissal	0	0	0



2020 goal	Indicators	Resources and responsibility	Times	Results
Awareness raising and information to personnel on the correct behaviour to adopt at work	Absence of disciplinary procedures against personnel	SA8000 workers' representative and General Management	31-12-2020	In 2020, meetings were held with staff to continuously raise awareness of company rules



7. Working hours

2021 goals

- Monthly monitoring of overtime hours performed by staff in order to ensure compliance with the legal limits and the requirements of the SA8000 standard

LUBE Srl complies with the provisions of the CCNL regarding working hours and the workers have been duly informed of the expected working hours. In correspondence with periods of production peaks, workers can work overtime, duly paid. In any case, the company guarantees that overtime work does not in any case exceed the provisions of the relevant CCNL. Any changes to the distribution of hours throughout the week are agreed with the workers, as are the planning of the holidays, leaves and permits.

Holidays are agreed between the employer and the employees taking into account the needs of both. The procedure to be followed for requesting holidays and permits is explained in detail in the company regulation.

During 2020, due to the current health emergency, LUBE Srl managed to guarantee continuity of work for all staff, albeit following the closure of the company as the reference ATECO code was among those not authorized to work. The company had to use layoffs, albeit in a very limited way. During the epidemic, some workers have a little used smart working.

The number of layoff hours used is equal to just 4% of the total workable hours. The number of overtime hours worked by personnel decreased very drastically compared to 2019 if we consider that the number of overtime hours per person in 2020 was 24 per year compared to 78 hours in the previous year.



2020 goals	Indicators	Resources and responsibility	Times	Results
Monitor the use of overtime work	Not exceeding the legal limits established by the reference CCNL	General direction	31-12-2020	Monitoring of the number of overtime hours. During 2020, overtime was used extremely occasionally, especially in the period before the start of the pandemic.



8. Salary



2021 goals

- **More information and training for workers on the composition of the pay slip**

LUBE Srl applies the C.C.N.L. regulations for all employees guaranteeing everyone fair and dignified salaries according to their abilities and according to their level. The contractual form most used in the company is the open-ended and fixed-term full-time contract. The company does not have project contracts while some temporary workers work in the company.

LUBE Srl undertakes to guarantee its employees:

- assistance in the request for obtaining family allowances, deductions and other forms of integration to the minimum income set in the national collective bargaining agreement and providing, if necessary, to provide advances and loans to its workers;
- explicitly indicate in the payslips all the items relating to the entitlements and withholdings made;
- be available to personnel, through the personnel administration office or directly the labour consultant, for any clarification regarding payroll;
- pay the salary monthly, on the established days, by bank transfer.

The company has taken steps to inform each employee, at the time of delivery of the first slip, on the main elements that make up the pay check in order to ensure correct understanding.

2020 goal	Indicators	Resources and responsibility	Times	Results
Punctual monitoring of the levels and tasks assigned to personnel	Compliance with the provisions of the applicable CCNL	General direction	31-12-2020	Continuous monitoring of personnel levels and classification, also with the support of the employment consultancy office.



9. Management system

During 2020 LUBE consolidated the SA8000 certified Social Accountability system in full compliance with regional, national and international human rights laws as well as with the SA8000:2014 standard which includes:

- Company organization chart and job description which provide for the division of roles and responsibilities;
- Social responsibility program;
- The procedures developed in order to provide a detailed and documented description of the methods of carrying out the activities that must be carried out for the purposes of compliance with the SA 8000 standard;
- Company regulations;
- Records that give evidence that the system is correctly managed (non-compliance, corrective actions, complaints, supplier monitoring plan, etc);
- Risk assessment extended to all regulatory requirements, identifying the aspects that most likely involve risks of violation of these requirements and/or loss of social responsibility performance.

Social responsibility program

The Management has drawn up a document containing the Social Responsibility Policy, so that its desire to create products that ensure the satisfaction of its customers and the company's economic result is made clear, but in compliance with the requirements of the SA8000 standard and collective well-being. The social responsibility policy has been disseminated to workers and all stakeholders and is available by clicking on the website www.lubesrl.it

Lube srl representatives

The general management of LUBE SRL has appointed a member of the company management as manager of the management system, while the staff has proceeded to appoint a representative of the SA8000 workers elected by vote by the workers with the commitment to interface with the Management with regard to issues related to social responsibility.

Due to Covid-19, only one meeting was held with SPT.

The team includes a balanced representation of members of management and SA8000 worker representatives (RLSA8000 and RLS).

Planning and implementation

In the drafting and/or updating of documents, all existing legal provisions applicable to our organization are taken into account; in the rare cases in which two legal prescriptions deal with the same topic and provide different prescriptions we have always considered the one more restrictive for the company and more in favour of the staff.

The Social Performance Team implements the following activities:

- Prepare the risk assessment on the various point of the standard;
- Carry out periodic meetings between representatives and staff;
- Facilitate the performance of the audits by verifying the results and promoting any requests for Corrective Actions and improvements.

Internal and external Audits

As part of the social Accountability System, to examine the adequacy of the activities to the requirements of the SA8000 standard, internal audits, monitoring activities are carried out by LUBE Srl aimed at ensuring the suitability of the system itself. The SPT effectively monitors activities in the workplace to monitor compliance with the standard, the implementation of planned actions to address the risks



identified by the SPT and the effectiveness of the methods adopted to meet the organization's policies and requirements of the standard. During 2020, internal audits were held by our consultant Miss Valentina Poli of the consulting company TRECON Srl in order to assess compliance with the SA 8000 standard. During the audit some findings on health and safety emerged, LUBE Srl has promptly taken of the findings by opening appropriate corrective actions. During 2020, the company certification RINA carried out 2 audits in which some recommendations emerged. So that, they were promptly managed and implemented.

Staff and training

Through training and information, the staff was involved and informed about the SA8000 standard, and also about goals and Social Accountability Management System.

The managers are supported by specialist consultants who provide trainings and ideas for implementation of the system.

During 2020, appropriate training sessions were held in order to implement the Step by OEKO TEX and ISO 9001 systems.

For all workers, training sessions were held. During these sessions participation and sharing of the social responsibility objectives were sought.

For the year 2021 a detailed training plan has been issued for all the staff.

Suppliers control

LUBE srl has defined and implemented a procedure for assessing the ability of suppliers to meet the requirements of the SA8000 standard.

The first step was to divide the active suppliers of Lube into categories based on the potential criticality of the SA8000 requirements belonging to the SA8000 criticality level.

An awareness process has been launched and suppliers have been asked to sign declarations of commitment to compliance with the principles of social responsibility. At the same time, information was requested through the delivery of a self-assessment questionnaire.

LUBE is committed also for 2020 to continue along the process of raising awareness, assessment and monitoring of suppliers.

During 2020, we continue to raise awareness among suppliers, especially the most important ones which consist of yarn suppliers. To date, a total of 23 qualified suppliers have signed Lube's declarations of commitment in the field of social responsibility.

Management review and external communication

The management, in collaboration with the Social Accountability System Manager, reviews the management system at least once a year in order to verify its adequacy, appropriateness and continued effectiveness of the company policy procedures and results in compliance with the requirements of the standard and others requirements subscribed by the company.

To facilitate the review, a series of significant and relevant indicators have been defined, able to highlight the achievement of the objectives set and the definition of the further objectives. The positions and interests of the workers are defended by the SA8000 representative who plays a valuable role of mediation between the needs of the workers and the company management.

LUBE Srl undertakes to disclose to interested parties information regarding its Social Responsibility Policy and the SA8000 report; for this purpose, the company has chosen the corporate website www.lubsrl.it as a communication tool with all interested parties and in particular with customers, suppliers and the Public Administrations.

Problems and corrective actions

LUBE Srl has established a written for the management of complaints and reports and has activated a compliant collection and management system that allows workers and interested parties to report any situation that do not comply with the SA8000.

Workers were informed of the possibility of submitting complaints in various ways:

- Anonymously using the communication box;



- Through its SA8000 representative;
- Directly to the management;
- Directly to the certification body;

LUBE Srl does not apply disciplinary actions, dismissals or in any way discriminates against personnel or interested parties who have provided information on SA8000 compliance or who have filed complaints at the workplace.

Access to verification and recording

LUBE Srl is available to provide information and allows access to interested parties to verify the actual compliance with SA8000 requirements. The administrative office, upon appointment, is able to illustrate the functioning of the system to the interested parties and to carry out a visit to the production site.

The company has asked its suppliers for the same willingness to provide information and access for all interested. To date, we have not received requests for stakeholders access to verify effective compliance with SA8000 requirements or explicit requests from our customers regarding compliance with SA8000 standards.