

Conceria Pasubio S.p.A. wants to be the leading leather supplier in the Luxury and Premium Automotive sector through the implementation and continuous improvement of the Integrated Management System in accordance with the requirements of:

- **Quality:** IATF16949: 2016, UNI EN ISO 9001: 2015.
- **Environment, Health & Safety:** UNI EN ISO 14001: 2015, UNI EN ISO 14025: 2010, UNI EN ISO 14064-1: 2019, UNI EN ISO 14067: 2018, UNI ISO 45001: 2018.
- **Ethics – Social:** Ethical Code, D. Lgs. 231/01, Anti-corruption Policy, Whistleblowing Policy and UNIC Code of Conduct and Social Accountability.
- **IT Security:** TISAX (Trusted Information Security Assessment Exchange) in accordance with VDA-ISA.

Pasubio, also actively participates in the **Leather Working Group Protocol**, which evaluates the compliance and environmental performance capabilities of its industry, and in the **OIE TAHC** (OIE; the World Organization for Animal Health, TAHC; Terrestrial Animal Health Code) for the implementation of Animal Welfare Policies within its supply chain.

This policy is disseminated throughout the company so that it is shared to all staff. It is also made available to externals, ensuring that it is consulted by all interested parties.

The Management has put in place a business management system proportionate to the needs of the company and based on continuous monitoring of the social, technical, administrative, and human factors of responsibility that influence the processes and requirements of the parties involved, in order to:

- comply with the laws in force relating to processes, Safety & Health, Environment, Social Responsibility and products;
- adhere to principles of transparency, fairness and good faith in relations with institutions, customers, suppliers, competitors, preventing unfair acts that violate the UNIC Code of Conduct and Social Responsibility;
- prevent situations of corruption and confidentiality of information, disseminating the social responsibility policy at all levels:
  - providing employees with adequate information and training related to the application of the Ethical Code, D. Lgs. 231/01, anti-corruption policy, whistleblowing policy and Information Security Management, Social Accountability.

- eliminate, reduce and above all prevent shortcomings in Quality, Environment and Safety & Health;
- maintain and improve customers satisfaction;
- monitor significant environmental aspects such as the consumption of water and energy resources, the management of water discharges and the reduction of the emission of greenhouse effect substances;
- activate production control systems that allow reduction of the waste produced and their controlled management;
- pursue continuous improvement to verify the efficiency and effectiveness of the Integrated Management System in every aspect of the company;
- to favor, where possible, new processes, incoming materials, plants, machines and equipment aimed at a business improvement, at a lower environmental impact, respectful of the needs of health and safety in the workplace.
- Pasubio takes every precaution reasonable to protect and promote the safety of our subcontractors working on the property. Contractors are expected to:
  - work according to Pasubio General Conditions and procedures;
  - conduct their business in a manner so as not to put themselves, Pasubio employees or the public at risk.
- implement a procurement policy that includes qualified suppliers with whom to establish a cooperative relationship and common strategies to reduce delivery times and improve the service through the necessary resources, in compliance with Environmental, Health & Safety and Quality standards;
- activate appropriate communication systems both internally and externally to ensure a correct relationship with the interested parties and adequate process management;
- local & accidental pollution is the result of events that may occur during regular business activity or because of an emergency. Pasubio is conscious that certain processes in its production facilities may cause environmental damage if not correctly managed and controlled and is therefore committed to assuring a minimal impact on the environment. To achieve this objective the following principles have been established:
  - Follow all local and national directives;
  - Certifications (ISO 45001, ISO 14001);
  - Undertake responsible disposal;
  - Contain all accidental leakage/emission;



- Document procedures.
- improve the methods for recording, monitoring and preventing near-misses, accidents and occupational diseases;
- design the articles with attention to the Environmental impacts related to the entire Life Cycle of the products, maintaining and developing processes compliant with various international standards including: EPD, LCA studies compliant with ISO 14025, 14040, 14044, 14067 standards for which, where possible, the certifications and attestations from accredited bodies have been obtained;
- engage through projects for the reduction of resources of the impacts of the Organizational and Product Carbon Footprint in order to achieve neutrality according to the interests of the stakeholders;
- Pasubio is committed to minimizing the waste generated by its activities through increased use of reuse and recycling to contribute to environmental savings by:
  - preventing waste been produced, where possible,
  - internal reuse of waste, where possible,
  - identify suppliers that can collect the waste generated and dispose/recover it,
  - monitoring the waste generation and setting quantitative goals that contribute to the use of reuse waste and promotes recycling.
- Pasubio promotes the efficient use of energy to produce and deliver luxury and premium world class leather products to customers. Pasubio is committed to responsible energy use and will practice energy efficiency in all facilities and processes, wherever it is cost effective.
  - Pasubio aims to achieve and maintain compliance with applicable legal and other requirements.
  - continuously improve energy efficiency by establishing and implementing strategic energy management practices.
  - encourage continuous improvement in energy conservation by employees.
  - use energy consumption data to establish Key Performance Indicators (KPIs) to drive performance improvements.
- consider an Animal Welfare Policy in the raw material purchase process as described in the dedicated document;
- maintain the best operating techniques to comply with the Leather Working Group (LWG) Protocol;
- guarantee the Health & Safety of workers by designing workplaces and facilities in

- compliance with specific legislative provisions;
- guarantee the Health & Safety of workers by eliminating and where not possible minimizing the risk by adopting collective and individual protection devices;
  - ensure adequate information, education, and training in compliance with specific legislative provisions and internal procedures;
  - emergency management by preparing a plan to respond to different scenarios, namely, first aid, fire, earthquake, chemical emergency, or explosion that may occur within the organization;
  - train, and designate first aid, fire prevention and emergency teams. The company also provides active and passive protection systems to ensure the safety of workers and company assets;
  - Pasubio is committed to the implementation of the following strategies to eliminate/reduce work-related musculoskeletal disorders (MSDs) and to optimize human well-being and overall system performances by:
    - identification and characterization of potential sources of risk,
    - identification and characterization of exposed subjects,
    - risk assessment where the possible seriousness of the risk is analyzed and therefore the conformity and adequacy of the existing situation, with respect to the needs of prevention and protection in accordance with the D. Lgs. 81/08,
    - introduction of corrective measures when needed.
  - All Pasubio workers are guaranteed with:
    - ergonomic workplace design that considers its principles to eliminate/reduce work-related musculoskeletal disorders (MSDs),
    - health surveillance in accordance with the D. Lgs. 81/08,
    - training according to the D. Lgs. 81/08.
  - Pasubio is committed to Chemical Management which includes the handling of chemical and/or biological substances whether classified as hazardous or not hazardous used in the production cycle by:
    - evaluation of the chemical through the safety data sheet and technical data sheet received from the manufacturer,
    - risk assessment where the possible seriousness of the chemical risk is analyzed and therefore the conformity and adequacy with respect to:
      - Legislative Decree 81/08,
      - Customer technical specifications and requirements,



- REACH (Registration, Evaluation, Authorization and Restriction of Chemicals),
- SVHC (Substance of Very High Concern),
- storage of chemicals in dedicated areas considering the incompatibilities of the materials,
- introduction of Collective Protective Equipment (CPE) in the facilities where needed,
- introduction of Personal Protective Equipment (PPE) for workers where needed.
- All Pasubio workers are guaranteed with:
  - safe workspaces in accordance with the applicable laws and requirements of the voluntary certification in place,
  - Personal Protective Equipment (PPE) that must be worn and held by the worker to protect him during working hours,
  - training according to the D. Lgs. 81/08,
  - Health surveillance according to specific protocol.
- consider the Policy of Protection of Forests and Indigenous People, as described in the dedicated document.

The Management has put in place a business management system to guarantee inside the Pasubio facilities and along its Supply Chain the full respect of Human Rights, working conditions and social guarantees such as:

- No modern slavery, human trafficking, forced labour – No modern slavery is allowed at our factories, as expressed through the following indicators:
  - abuse of vulnerability,
  - deception,
  - restriction of movement,
  - isolation,
  - physical and sexual violence,
  - intimidation and threats,
  - retention of identity documents,
  - withholding of wages,
  - debt bondage,
  - abusive working and living conditions and excessive overtime,
  - bonded or involuntary prison labour at the factory.

All Pasubio workers are guaranteed with:

- clear production targets that can be met within regular work hours,
  - the broadest use of a policy whereby all overtime, to be paid according to current regulations, is voluntary,
  - employee's broad freedom to leave the manufacturing site at any time when they are not working,
  - no deposit, fee or identity document is withheld to secure work or accommodation, tools, training or personal protective equipment
  - keeping copies of identity documents and not the originals, allowing workers access to their own personal archives
  - policy preventing supervisors and guards from using force against workers or restraining workers to prevent them from leaving production areas or the factory grounds
  - unrestricted access to bathroom facilities, drinking water and other basic facilities.
- No forced child and under-age labour – Being fully aware of local, national and international laws on child labour and managing it in accordance with international standards to get absence of child and under-age labour at the factory, with no abuse or employment on night shifts of a worker under eighteen years of age. Thanks to a systematic method for checking the age of new employees and copies of the age records kept at the factory. Providing training and education and act to reduce health and safety risks to a minimum by protecting juvenile employees against activities in hazardous areas and providing with appropriate health examinations of juvenile employees.
  - Women and minority rights - Guarantee the right to maternity leave of female workers without any waiting of an established minimum period of service before a pregnancy and without limitations to the number of pregnancies as per applicable law and highest work standards. Protection for female workers is made available, especially in relation to conditions of work, which may involve risks for maternity. The possibility of being temporarily absence for a certified illness or maternity leave, to file a complaint and to speak freely with authorized visitors to the factory, without supervision or retaliations of any kind. No discrimination of any kind shall be allowed at the factory, from the recruitment to the hiring and working phases. Any physical, verbal, and mental abuse, corporal punishment, sexual harassment, or other forms

of intimidation, particularly to female workers, including harsh or inhumane treatment is not allowed. Periodic monitoring of medical conditions shall be planned, with the female worker's consent, particularly in cases of limited access to healthcare.

Workers belonging to minorities have guaranteed the same working rights herein applicable to any worker.

- Wages and benefits – As per dedicated document, guarantee that any worker at the factory is paid at least with the minimum wage and overtime, included any migrant worker, even if identified but not in possession of identity documents or awaiting a work permit
- Freedom of association and collective bargaining - Workers are guaranteed by Pasubio's intention and management system to:
  - protect and comply with the principles of safeguarding the right to and legitimate freedom of association of their employees,
  - protect, in the case of restrictions on said freedom imposed by local regulations, the right to form workers' groups and/or committees,
  - adopt an attitude that is open to dialogue, proactive and positive with trade union organizations,
  - avoid any discriminatory practices against employees' representatives and their freedom to carry out their functions of representation in the workplace,
  - involve union representatives in decisions concerning problems production and training of the workforce in a fair and equal manner,
  - treat any strikes and legal demonstrations as labour disputes,
  - establish routine or occasional workers' committees to deal with and contribute on specific issues,
  - develop appropriate methods for direct contact with the workforce,
  - assess the preparation, display and management of a set of procedures for use of suggestion boxes.
- Use of private or public security forces - Pasubio manages security activities in accordance with current regulations and international standards, including the United Nations Basic Principles for the Use of Force and Firearms by Law Enforcement Officials and the Voluntary Principles on Security and Human Rights.

With a due consideration of the needs of the countries in which it insists and minimizing any potential impact of its security arrangements on local communities, through preparation of the most effective plans and mechanisms for their protection.



Preventive and defensive measures are designed and implemented to keep at the minimum the need for active response by state and/or private security forces to threats to personnel and assets. The use of force and firearms is restricted to self-defense, to prevent the perpetration of a serious life-threatening incidents and always and only in a manner proportionate to the offence.

All the staff of Conceria Pasubio S.p.A. and those who work on its behalf are invited to share and make their own the principles set out here and to support the company management with their competence and professionalism in achieving them.

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