
ASI CERTIFICATION PERFORMANCE STANDARD



PRESENTED TO

LAMINAZIONE SOTTILE GROUP

CERTIFICATE
NUMBER

124

ASI
STANDARD

PERFORMANCE
STANDARD
(V2 2017)

CERTIFICATION
LEVEL

FULL
CERTIFICATION

ASI ACCREDITED
AUDITOR

BUREAU
VERITAS
CERTIFICATION

DATE OF ISSUE

29 MARCH 2021

DATE OF EXPIRY

28 MARCH 2024

CERTIFIED SINCE

29 MARCH 2021

AUTHORISED BY

A handwritten signature in black ink, appearing to be 'J. H.', written over a horizontal line.

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*Validity of this Certificate is subject to continued
conformance with the applicable ASI Standard
and can be verified at*

www.aluminium-stewardship.org

CERTIFICATION SCOPE

Manufacturing of semi-finished aluminium coils and sheets at Laminazione Sottile plant (Italy), coil coating at Italcot plant (Italy) and coating/printing at IPS Industrial Packaging Solution plant (Italy).

SUMMARY AUDIT REPORT

PERFORMANCE STANDARD

OVERVIEW

MEMBER NAME	Laminazione Sottile S.p.A.
ENTITY NAME	Laminazione Sottile Group
CERTIFICATION SCOPE	Manufacturing of semi-finished aluminium coils and sheets at Laminazione Sottile plant (Italy), coil coating at Italcot plant (Italy) and coating/printing at IPS Industrial Packaging Solution plant (Italy).
SUPPLY CHAIN ACTIVITIES	<ul style="list-style-type: none">• Semi-Fabrication• Material Conversion (Production and Transformation)
ASI STANDARD	<ul style="list-style-type: none">• Performance Standard V2
AUDIT TYPE	<ul style="list-style-type: none">• Certification Audit
AUDIT FIRM	Bureau Veritas Certification
AUDIT DATE	<ul style="list-style-type: none">• 21 – 29 January 2021
AUDIT REPORT SUBMISSION	<ul style="list-style-type: none">• 27 February 2021
AUDIT SCOPE	<p>The audit scope included the activities at the Laminazione Sottile, Italcot and IPS Industrial Packaging Solution plants in Italy.</p> <p>Supply chain activities included in the Audit Scope:</p> <ul style="list-style-type: none">• Semi-Fabrication• Material Conversion (Production and Transformation) <p>All relevant Criteria in the ASI Performance Standard were included in the Audit Scope.</p>
AUDIT OUTCOME	<ul style="list-style-type: none">• Certification
AUDIT METHODOLOGY DECLARATION	<p>The Auditors confirm that:</p> <ul style="list-style-type: none"><input checked="" type="checkbox"/> The information provided by the Entity is true and accurate to the best knowledge of the Auditor(s) preparing this report.<input checked="" type="checkbox"/> The findings are based on verified Objective Evidence relevant to the time period for the Audit, traceable and unambiguous.

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- The Audit Scope and audit methodology are sufficient to establish confidence that the findings are indicative of the performance of the Entity's defined Certification Scope.
 - The Auditor(s) have acted in a manner deemed ethical, truthful, accurate professional, independent and objective.
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CERTIFICATION PERIOD 29 March 2021 – 28 March 2024

NEXT AUDIT TYPE Surveillance Audit

NEXT AUDIT DUE DATE 28 September 2022

CERTIFICATE NUMBER 124

SUMMARY OF FINDINGS

CRITERION	RATING	COMMENT
PRINCIPLE 1 BUSINESS INTEGRITY		
1.1 Legal Compliance	Conformance	<p>The Entity has planned, established, implemented and maintained an adequate process of assessing compliance with legal and other requirements. A procedure is implemented which provides for the frequency and method for periodic assessment of compliance with legislative requirements. Records on compliance with legislative requirements are maintained.</p> <p>The companies are certified to ISO 14001 and ISO 45001, and in conforming with these standard there is a complete list of applicable environmental laws, and legal compliance internal audits are carried on. In addition to certifications there is a management system, conforming to Italian law Decree 231/01 that requires internal audits on legal compliance are carried out.</p>
1.2 Anti-Corruption	Conformance	<p>The Entity has a management system, conforming to Italian law Decree 231/01 that requires both a Code of Ethics and internal audits on anti-corruption are carried out by a Supervisory Body (Organismo di Vigilanza: Vigilating Body). This Body has the task of supervising the functioning and observance of the Organization and Management Model and of ensuring its updating. A Supervisory Body is established for each company in the Laminazione Sottile Group, consisting of three external members in order to ensure effective independence from the corporate hierarchy. The Body is placed in a top position and in direct relationship with the Board of Directors, to which it reports any violations of the Model. The duties, powers and responsibilities of the Body are defined in a specific regulation.</p>
1.3 Code of Conduct	Conformance	<p>The Laminazione Sottile Group has developed a Code of Ethics, available at this link: https://www.laminazionesottile.com/it/codice-etico The Code of Ethics expresses the principles, values and rules of conduct inherent in the actions of the companies of the Laminazione Sottile Group.</p>
PRINCIPLE 2 POLICY & MANAGEMENT		
2.1a Environmental, Social, and Governance Policy (implement and maintain)	Conformance	<p>A Policy is documented and has received endorsement by top management, available at this link: https://www.laminazionesottile.com/it/sostenibilit%C3%A0</p>

CRITERION	RATING	COMMENT
		The Policy expresses the organisation's commitments regarding the environment, health and safety and social responsibility and constitutes a reference point for determining strategic objectives in the short and medium term.
2.1b Environmental, Social, and Governance Policy (senior management)	Conformance	<p>A Policy is documented and has received endorsement by top management. The Policy is shared with all company staff by posting on the bulletin board and/or provision during training and information meetings.</p> <p>The Management constantly guarantees:</p> <ol style="list-style-type: none"> 1) periodic checks and reviews of the document. 2) appropriateness of the policy to the aims and context in which the Group operates. 3) consistency with the corporate strategic objectives established also with reference to aspects related to the environment and safety. <p>Through the policy, management explicitly declares its willingness to ensure constant compliance with applicable requirements and constant search for safe working conditions and environmental protection.</p>
2.1c Environmental, Social, and Governance Policy (communication)	Conformance	A Policy is documented and has received endorsement by top management. The Policy is shared with all company staff by posting on the bulletin board and/or provision during training and information meetings.
2.2 Leadership	Conformance	All company functions contribute to the application of the system with top management formally ensuring compliance with the requirements of the ASI Performance Standard through an Inter-functional Team that has an adequate level of preparation and knowledge of the Standard (after appropriate training).
2.3a Environmental and Social Management Systems (environmental)	Conformance	<p>The Entity has adopted Environmental Management Systems certified by accredited bodies and compliant with UNI EN ISO 14001 in order to guarantee the continuous improvement of its environmental performance. The certificates are visible and available on the following websites:</p> <p>Laminazione Sottile: https://www.laminazione sottile.com/it/sostenibilit%C3%A0/certificazioni</p> <p>Italcoat and IPS: https://www.italcoat.com/it/sostenibilita/certificazioni/</p>
2.3b Environmental and Social Management Systems (social)	Conformance	The Laminazione Sottile site is SA8000 certified, certificate is available at this link:

CRITERION	RATING	COMMENT
		<p>https://www.laminazione sottile.com/it/sostenibilit%C3%A0/certificazioni</p> <p>The IPS & Italc Coat sites do not currently have a certified social responsibility management system; however the social responsibility requirements do apply. The ethical code and organizational model are consistent with the requirements of a social management system with statements and policies on recruiting, human resources management and health and safety. The HR department has its own procedures to continuously deliver conformity to the national CBA (Collective Bargaining Agreement) for work-related matters including wages and working hours. The Code of Ethics is available at this link: https://www.italcoat.com/it/codice-etico/</p>
2.4 Responsible Sourcing	Minor Non-Conformance	<p>The ACPG02 Procedure describes how the Laminazione Sottile Group manages the procurement and assignment of outsourced activities in order to ensure these always comply with the requirements. The procedure describes the checks to be carried out on products and services provided externally when they are intended to be incorporated into the products and services offered, when they are provided directly by the supplier to the customer or when they are entrusted to the supplier by organizational choice. However, the initial and periodic environmental assessment criteria adopted are not specified in the supplier assessment process.</p>
2.5 Impact Assessments	Conformance	<p>Impact assessments are available and documented. In assessing the importance of the environmental impacts of its activities, the Entity takes into consideration the normal operating conditions, start-up and shutdown phases and emergency situations; it also takes into account the company's past, present and planned activities.</p> <p>The methods and criteria with which the assessment of direct and indirect environmental aspects is carried out are described in specific procedures.</p>
2.6 Emergency Response Plan	Conformance	<p>Laminazione Sottile Group has prepared specific procedures for the prediction and consequent management of emergencies having an impact on both environmental and safety systems. Through these procedures it is possible to:</p> <ul style="list-style-type: none"> - Implement actions to prevent or mitigate the impacts deriving from possible emergencies. - Respond to emergency situations. - Subject the planned actions to periodic tests (see emergency plan).

CRITERION	RATING	COMMENT
		- Periodically check the effectiveness of planned actions in response to possible emergencies.
2.7 Mergers and Acquisitions	Minor Non-Conformance	During the interview with the Inter-functional Team it was determined that at present there are no closures, decommissioning and divestments planned. In the event of new mergers, acquisitions or decommissioning, environmental social and governance issues will be addressed. However, the parameters for assessing the convenience, risks or problems associated with merger or acquisition activities relating to environmental, social and governance issues are not formally identified.
2.8 Closure, Decommissioning and Divestment	Minor Non-Conformance	During the interview with the Inter-functional Team it was determined that at present there are no closures, decommissioning and divestments planned. In the event of new mergers, acquisitions or decommissioning, environmental social and governance issues will be addressed. However, the parameters for assessing the convenience, risks or problems associated with merger or acquisition activities relating to environmental, social and governance issues are not formally identified.
PRINCIPLE 3 TRANSPARENCY		
3.1 Sustainability Reporting	Conformance	Laminazione Sottile Group annually communicates its performance and approach to governance, environmental and social issues. The Entity has a Sustainability Report with data on environmental, social and safety impacts, available at: https://www.laminazione sottile.com/it/sostenibilit%C3%A0
3.2 Non-compliance and liabilities	Conformance	Laminazione Sottile Group annually communicates its performance and approach to governance, environmental and social issues. The Entity has a Sustainability Report with data on environmental, social and safety impacts. The Sustainability Report states there are no disputes or sanctions for non-compliance with environmental legislation; no cases attributable to corruption or anti-competitive behaviour and no violation of laws or regulations in the social, economic area has occurred, see pages 15, 20 and 49: https://www.laminazione sottile.com/it/sostenibilit%C3%A0

CRITERION	RATING	COMMENT
3.3a Payments to governments (legal and contractual)	Conformance	<p>The Entity has a management system compliant with Legislative Decree 231/01 which requires both a Code of Ethics and internal anti-corruption controls carried out by a Supervisory Body. The Code of Ethics is available at this link: https://www.laminazione sottile.com/it/codice-etico</p> <p>Top management confirmed that all payments made to the government and public administration are on a legal basis, such as taxes. The organizational models adopted by Laminazione Sottile Group describe a set of principles and rules of conduct, operating procedures and disciplinary sanctions, aimed at preventing the commission of crimes and guaranteeing ethical behaviour by those who work on behalf of the company, in compliance with the principles of lawfulness, correctness and transparency.</p>
3.3b Payments to governments (disclosure - bauxite mining)	Not Applicable	This Criterion is not applicable to the Entity's Certification Scope.
3.4 Stakeholder complaints, grievances and requests for information	Minor Non-Conformance	<p>Laminazione Sottile Group has effective tools for collecting complaints/ suggestions for improvement from stakeholders. These tools include letterboxes, dedicated email addresses and periodic meetings between workers and their representatives. External stakeholders can make reports, requests or complaints through the tools indicated on the various websites of the companies.</p> <p>However, it is not clear what kind of information can be requested and what kind of complaints can be raised, and awareness of the letterbox and email mechanisms available to workers was limited.</p>
PRINCIPLE 4 MATERIAL STEWARDSHIP		
4.1a Environmental Life Cycle Assessment (life cycle impacts)	Conformance	A Life Cycle Perspective Evaluation was developed taking into account life cycle impacts of major products and processes. The Group has conducted two LCA studies in accordance with ISO 14040:2006 and ISO14044:2006/ Amd 1:2017 on the final products manufactured by the Contital Company (part of the same Group).
4.1b Environmental Life Cycle Assessment (cradle to gate)	Conformance	A Life Cycle Perspective Evaluation was developed taking into account cycle impacts of major products and processes. The Group has conducted two LCA studies in accordance with ISO 14040:2006 and ISO14044:2006/ Amd 1:2017 on the final products manufactured by the Contital Company (part of the same Group).

CRITERION	RATING	COMMENT
		<p>General information on the life cycle (in particular on end of life) is available in company brochures and via the website:</p> <p>https://www.laminazionesottile.com/it/search/node/ciclo%20di%20vita%20language%3Ait%2Cund</p>
4.1c Environmental Life Cycle Assessment (public communication)	Conformance	<p>A Life Cycle Perspective Evaluation was developed taking into account life cycle impacts of major products and processes. The Group has conducted two LCA studies in accordance with ISO 14040:2006 and ISO14044:2006/ Amd 1:2017 on the final products manufactured by the Contital Company (part of the same Group).</p> <p>The LCA documents are not available on the website but are shared with customers and suppliers on request. General information on the life cycle (in particular on end of life) is available in company brochures and via the website:</p> <p>https://www.laminazionesottile.com/it/search/node/ciclo%20di%20vita%20language%3Ait%2Cund</p>
4.2 Product design	Conformance	<p>The Research and Development area, centralized at Group level, performs the function of promoting product innovation and seeking solutions to meet customer needs. During the audit a project on disposable (coated and uncoated) aluminium plates, which underwent a LCA studio, was used to illustrate aluminium packaging being part of the circular economy in July 2020. The associated LCA study was certified by SGS Certification Body in August 2020.</p>
4.3a Aluminium Process Scrap (targets)	Conformance	<p>As per the ISO 14001 Management System, the Entity has developed its own improvement plan with environmental objectives, management review processes and measurable targets. Data is monitored and available on monthly basis with details for department, product and plant. The scraps derived from various treatments are recovered via an internal recycling mechanism or returned to the foundry.</p>
4.3b Aluminium Process Scrap (alloy separation)	Conformance	<p>The minimization of waste is achieved through the recycling of scrap. The technique can be applied in existing and new plants and is currently applied in all the Group's European plants. The scrap returned from the manufacturing processes, divided by type of internal alloy, is stored in a dedicated storage area and entirely recovered in the smelting processes.</p>
4.4a Collection and recycling of products at end-of-life (strategy)	Conformance	<p>The Laminazione Sottile Group is strongly oriented towards recovery of aluminium scrap deriving from industrial processing. Semi-finished products are</p>

CRITERION	RATING	COMMENT
		supplied to customers who transform them into finished products; the resulting processing scraps are returned to the factory to be remelted and re-transformed into laminates, implementing principles of a circular economy. The Group is also engaged in a project that will foresee the recycling of post-consumer materials in future.
4.4b Collection and recycling of products at end-of-life (engagement)	Conformance	At present a process for recycling post-consumer aluminium (urban waste) is not implemented. However, a collaboration with the Italian consortium responsible for the collection of aluminium waste (CIAL) is being planned for the near future. Also, the aluminium sold by Laminazione Sottile or Italcost currently to industrial customers is, in some cases, re-collected and transformed into new raw material. This happens with larger customers, but it is planned to be improved in the near future.
PRINCIPLE 5 GREENHOUSE GAS EMISSIONS		
5.1 Disclosure of GHG emissions and energy use	Conformance	Laminazione Sottile has been involved for years in the reduction of GHG emissions, applying the Emission Trading System (ETS) regulation, a tool in force within the EU for the containment of GHG and also through monetization of excess quotas. Compared to the previous year, 2019 saw a reduction in CO ₂ emissions of 5,670 tons, equal to a 9% reduction in CO ₂ despite a 3% increase in production. VOC emissions, relating to the smoke extraction systems of cold rolling mills, have also been reduced by 50% since 2014, thanks to careful optimization of the abatement processes. Greenhouse gas data is disclosed in the Environmental Declaration on page 38 - 39: https://www.laminazionecottile.com/sites/default/files/download/DA%202020.pdf
5.2 GHG emissions reductions	Conformance	In order to achieve the objective of energy reduction (which in turn has impact on indirect CO ₂ emissions), the Laminazione Sottile company installed air-water heat exchangers in the foundry area to recover the hot air exiting the chimneys and heat the boiler water. This reduces the consumption of methane and therefore CO ₂ emitted. The project allows significant energy savings (according to the guidelines of Legislative Decree 102/2014) which translates into a saving of methane gas. In 2020, 670,087 m ³ of methane was economized.

CRITERION	RATING	COMMENT
		Reduction targets are indicated in the improvement plan of the Environmental Declaration, available on page 62: https://www.laminazione sottile.com/sites/default/files/download/DA%202020.pdf
5.3a Aluminium Smelting (management system)	Not Applicable	This Criterion is not applicable to the Entity's Certification Scope.
5.3b Aluminium Smelting (up to and including 2020)	Not Applicable	This Criterion is not applicable to the Entity's Certification Scope.
5.3c Aluminium Smelting (after 2020)	Not Applicable	This Criterion is not applicable to the Entity's Certification Scope.
PRINCIPLE 6 EMISSIONS, EFFLUENTS AND WASTE		
6.1 Emissions to Air	Conformance	All three companies have their own environmental authorization named AIA (Autorizzazione Integrata Ambientale: Environmental Integrated Authorization) conforming to Italian law, Decree 152/2006. Following the principles of authorization, each company must communicate air emissions annually to the public administrations.
6.2 Discharges to Water	Conformance	All three companies have their own environmental authorization compliant with Legislative Decree 152/2006 - this authorization includes the management of water discharges. Check of this communication is part of ISO 14001 certification audit and audits have found water emissions conform.
6.3a Assessment and Management of Spills and Leakage (assessment)	Conformance	The Entity has a management system conforming to ISO 14001. A risk assessment including spills and leakages has been performed and last updated in November 2019. There was no evidence of spills or leakages outside company premises.
6.3b Assessment and Management of Spills and Leakage (management)	Conformance	The HSE office organizes annual training tests for environmental emergencies. The trainings are recorded on training reports. All workers appointed for emergency and waste management participate in the training. There was no evidence of spills or leakages outside company premises.
6.4a Reporting of Spills (immediate disclosure)	Conformance	A significant part of the Group's communication was addressed to the issues of environmental sustainability. The Entity communicates externally on significant impacts and emergency situations via publication of the Sustainability Report: https://www.laminazione sottile.com/it/sostenibilit%C3%A0

CRITERION	RATING	COMMENT
		Communications of significant environmental accidents or emergency situations are managed as required by the control bodies.
6.4b Reporting of Spills (regular reporting)	Conformance	<p>A significant part of the Group's communication was addressed to the issues of environmental sustainability. The Entity communicates externally on significant impacts and emergency situations via publication of the Sustainability Report, available at the following webpage: https://www.laminazionecottile.com/it/sostenibilita%CC%80_2019_Laminazione%20Sottile%20Group.pdf</p> <p>Communications of significant environmental accidents or emergency situations are managed as required by the control bodies</p>
6.5a Waste management and reporting (strategy)	Minor Non-Conformance	<p>Waste management is regulated by internal procedures in accordance with ISO14001: 2015. These procedures regulate the operational and legislative management of waste produced in the company. The companies annually declare quantities of special waste produced both dangerous and non-hazardous. This aspect is overseen by Italian Legislative Decree 152/2006, where an annual declaration (Unique Form of Declaration) is mandatory.</p> <p>However, some minor operational control errors, including cleanliness, signage and housekeeping associated with external waste areas, were found during the site tour at the Laminazione Sottile plant.</p>
6.5b Waste management and reporting (disclosure)	Conformance	<p>Information on waste production is published annually in the Sustainability Report, see pages 51 - 54: https://www.laminazionecottile.com/sites/default/files/download/Rapporto%20Sostenibilita%CC%80_2019_Laminazione%20Sottile%20Group.pdf</p> <p>The Laminazione Sottile Group is projected into investment activities due to the greater use of technologies aimed at sustainable waste management, waste recovery and waste reduction. Laminazione Sottile Group produces special (industrial) waste and a type similar to urban waste, which is managed at the municipal level. Industrial waste is disposed of via specific external disposers, selected on the basis of reliability criteria and authorized according to current legislation.</p>
6.6a Bauxite Residue (storage construction)	Not Applicable	This Criterion is not applicable to the Entity's Certification Scope.

CRITERION	RATING	COMMENT
6.6b Bauxite Residue (integrity checks and controls)	Not Applicable	This Criterion is not applicable to the Entity's Certification Scope.
6.6c Bauxite Residue (water discharge)	Not Applicable	This Criterion is not applicable to the Entity's Certification Scope.
6.6d Bauxite Residue (marine and aquatic environments)	Not Applicable	This Criterion is not applicable to the Entity's Certification Scope.
6.6e Bauxite Residue (state of the art technologies)	Not Applicable	This Criterion is not applicable to the Entity's Certification Scope.
6.6f Bauxite Residue (remediation)	Not Applicable	This Criterion is not applicable to the Entity's Certification Scope.
6.7a Spent Pot Lining (SPL) (storage and management)	Not Applicable	This Criterion is not applicable to the Entity's Certification Scope.
6.7b Spent Pot Lining (SPL) (recovery and recycling)	Not Applicable	This Criterion is not applicable to the Entity's Certification Scope.
6.7c Spent Pot Lining (SPL) (Untreated SPL)	Not Applicable	This Criterion is not applicable to the Entity's Certification Scope.
6.7d Spent Pot Lining (SPL) (review of alternatives)	Not Applicable	This Criterion is not applicable to the Entity's Certification Scope.
6.7e Spent Pot Lining (SPL) (marine and aquatic environments)	Not Applicable	This Criterion is not applicable to the Entity's Certification Scope.
6.8a Dross (recovery)	Not Applicable	This Criterion is not applicable to the Entity's Certification Scope.
6.8b Dross (recycling)	Not Applicable	This Criterion is not applicable to the Entity's Certification Scope.
6.8c Dross (review of alternatives)	Not Applicable	This Criterion is not applicable to the Entity's Certification Scope.
PRINCIPLE 7 WATER STEWARDSHIP		
7.1a Water assessment (mapping)	Conformance	The water supply is considered according to use: potable, civil (water for non-potable human use) or use in the production process (non-potable water). Potable (drinking) water is supplied by the municipal aqueduct and consumption is monitored through the sealed meter. The companies have wells that guarantee the entire technological water needs of the plants with regular authorization for extraction. Each site has its own environmental authorization (AIA) compliant with Legislative Decree 152/2006 which requires annual communication of water withdrawn.

CRITERION	RATING	COMMENT
7.1b Water assessment (risk assessment)	Not Applicable	There are no watersheds in the Entity's area of influence.
7.2a Water management (management plans)	Conformance	The Entity is ISO 14001:2015 certified. The environmental review required by this standard includes a mapping of water sources and water usage. The latest analysis is updated to 2020 and a risk assessment for water use is documented. Internal audits and operational control measures are in place to monitor water use.
7.2b Water management (monitoring)	Conformance	The Entity is ISO 14001:2015 certified. The environmental review required by this standard includes a mapping of water sources and water usage. The latest analysis is updated to 2020 and a risk assessment for water use is documented. Internal audits and operational control measures are in place to monitor water use. The use of water is an environmental aspect that is periodically monitored. Targets and indicators for monitoring have been established.
7.3 Disclosure of water usage and risks	Conformance	Laminazione Sottile Group communicates information on water use in the Environmental Declaration, as required by the EMAS Regulation, and provided on page 37: https://www.laminazione sottile.com/sites/default/files/download/DA%202020.pdf Additionally in the Sustainability Report, see page 25: https://www.laminazione sottile.com/sites/default/files/download/Rapporto%20Sostenibilita%CC%80_2019_Laminazione%20Sottile%20Group.pdf .
PRINCIPLE 8 BIODIVERSITY		
8.1 Biodiversity assessment	Conformance	The Entity does not operate in protected areas and there are no key areas of biodiversity or threatened species that may be affected by the Group's activities. No significant risk to biodiversity was found.
8.2a Biodiversity management (biodiversity action plans)	Conformance	The Entity does not operate in protected areas and there are no key areas of biodiversity or threatened species that may be affected by the Group's activities. No significant risk to biodiversity was found.
8.2b Biodiversity management (consultation and mitigation hierarchy)	Conformance	The Entity does not operate in protected areas and there are no key areas of biodiversity or threatened species that may be affected by the Group's activities. No significant risk to biodiversity was found.
8.2c Biodiversity management (reporting)	Conformance	The Entity does not operate in protected areas and there are no key areas of biodiversity or threatened

CRITERION	RATING	COMMENT
		species that may be affected by the Group's activities. No significant risk to biodiversity was found.
8.3 Alien Species	Conformance	The Entity does not operate in protected areas and there are no key areas of biodiversity or threatened species that may be affected by the Group's activities. No significant risk to biodiversity was found. The introduction of alien species is a risk mitigated by internal processes such as instructions for suppliers to treat wooden pallets according to international standards, such as the ISPM (International Standards for Phytosanitary Measures)
8.4a Commitment to "No Go" in World Heritage properties (exploration and new mines)	Not Applicable	This Criterion is not applicable to the Entity's Certification Scope.
8.4b Commitment to "No Go" in World Heritage properties (existing mines)	Not Applicable	This Criterion is not applicable to the Entity's Certification Scope.
8.5a Mine rehabilitation (best available techniques)	Not Applicable	This Criterion is not applicable to the Entity's Certification Scope.
8.5b Mine rehabilitation (financial provisions)	Not Applicable	This Criterion is not applicable to the Entity's Certification Scope.
PRINCIPLE 9 HUMAN RIGHTS		
9.1a Human Rights Due Diligence (policy)	Conformance	<p>The Entity's commitment to respect human rights is expressed in the Social Responsibility Policy and the Code of Ethics. Both documents are available on the website:</p> <p>https://www.laminazionesottile.com/it/sostenibilit%C3%A0/responsabilit%C3%A0-sociale</p> <p>The Entity aims to ensure all employees and interested parties can contribute to the improvement of the Social Responsibility Management System and has established a communication system for the management of complaints and/or suggestions. Email addresses dedicated to reporting include: SA8000@laminazionesottile.com for employees; segnalazioni@laminazionesottile.com for other interested parties.</p> <p>The employee mailbox is managed by the Social Performance Team and allows anonymous reports.</p>
9.1b Human Rights Due Diligence (process)	Minor Non-Conformance	At present, the requirement has been addressed with a risk assessment on the various requirements of the SA 8000 standard which also includes investigations on human rights. However, the process should be improved through a due diligence process with the aim

CRITERION	RATING	COMMENT
		of identifying, preventing, mitigating and accounting for how it addresses its actual and potential impacts on human rights. The analysis should be documented and updated periodically.
9.1c Human Rights Due Diligence (remediation)	Conformance	The documents analyzed and interviews undertaken have provided evidence that there are no human rights violations.
9.2 Women's Rights	Conformance	<p>The Entity implements policies and processes to ensure respect for the rights and interests of women, consistent with international standards. This principle is observed right from the commencement of recruitment.</p> <p>Over the years, Laminazione Sottile Group has also been increasing the presence of female personnel in historically male areas, such as technical roles. The adoption of an Organizational Model pursuant to Legislative Decree 231/2001 and a confidential reporting system represent provide a tool for communicating any offenses and violations to the Supervisory Body in charge. There were no cases of discrimination in 2019.</p>
9.3 Indigenous Peoples	Not Applicable	The Entity does not operate on sites occupied by Indigenous Peoples.
9.4 Free, Prior, and Informed Consent (FPIC)	Not Applicable	The requirement at present is not applicable. An assessment of the consent of Indigenous Peoples is foreseen in the event of new establishments or substantial changes.
9.5 Cultural and sacred heritage	Not Applicable	There are no sites of value to cultural and/or sacred heritage within the Area of Influence of the Entity.
9.6a Resettlements (avoid or minimise)	Not Applicable	This requirement at present is not applicable. An assessment of social risks would be expected in the event of resettlement.
9.6b Resettlements (where unavoidable)	Not Applicable	This requirement at present is not applicable. An assessment of social risks would be expected in the event of resettlement.
9.7a Local Communities (rights and interests)	Conformance	A risk assessment identified no issues concerning local communities. Various communication channels are available to all interested parties.
9.7b Local Communities (impacts)	Conformance	A risk assessment identified no issues concerning local communities. Various communication channels are available to all interested parties.

CRITERION	RATING	COMMENT
9.7c Local Communities (livelihoods)	Conformance	A risk assessment identified no issues concerning local communities. Various communication channels are available to all interested parties.
9.8 Conflict-Affected and High-Risk Areas	Not Applicable	The Entity does not operate in conflict-affected and high-risk areas.
9.9 Security practice	Conformance	There is a night surveillance service. A concierge service carried out by internal staff. Supervision and access control are carried out in compliance with the law. At the entrance to the plants, an identity document is requested by external staff and body temperature checks are carried out with the use of a thermoscanner.
PRINCIPLE 10 LABOUR RIGHTS		
10.1a Freedom of Association and Right to Collective Bargaining (freedom of association)	Conformance	In Italy, all workers are covered by a Collective Labour Agreement (CCNL) agreed at national level between trade unions and sector representatives. The majority of workers are union members, there are union representatives who regularly meet with the Entity's top management.
10.1b Freedom of Association and Right to Collective Bargaining (collective bargaining)	Conformance	Feedback from interviews with workers was positive and no situations emerged where freedom of association and the right to collective bargaining is impeded. The Laminazione Sottile Group informs workers of the freedom to join any organization of their choice and guarantees that such choices do not lead to negative consequences such as victimisation, harassment, intimidation or retaliation by the Entity. Trade union representatives have been elected for workers and the Entity allows staff meeting times with the provision of suitable spaces.
10.1c Freedom of Association and Right to Collective Bargaining (alternative means)	Conformance	In Italy applicable law does not restrict the right to freedom of association and collective bargaining.
10.2a Child Labour (minimum age)	Conformance	In Italy work under 15 years is illegal. During the hiring process, every worker must show an ID Card with their date of birth and a copy is retained in the worker's personnel file. The recruitment procedure and checking of identity documents ensures no child labour.
10.2b Child Labour (hazardous)	Conformance	Laminazione Sottile Group does not use or support the use of child labour. Evidence of the commitment is described in the Social Responsibility Policy and in the Code of Ethics.

CRITERION	RATING	COMMENT
10.2c Child Labour (worst forms)	Conformance	Laminazione Sottile Group does not use or support the use of child labour. Evidence of the commitment is described in the Social Responsibility Policy and in the Company Code of Ethics.
10.3a Forced Labour (human trafficking)	Conformance	Through the Code of Ethics and the Social Responsibility Policy, the Entity has signed a commitment not to take the following actions: <ul style="list-style-type: none"> - Participate in or support human trafficking directly or through any employment or recruiting agency. - Request any form of deposit, recruitment fee or advance on equipment from Workers directly or through employment or recruitment agencies. - Require migrant workers to deposit deposits or security payments at any time. - Keep workers in debt bondage or force them to work to pay off a debt. - Unreasonably restrict the freedom of movement of Workers in the workplace or in on-site accommodation. - Keep the original copies of identity documents, work permits, travel documents or Workers' training certificates. - Deny Workers the freedom to terminate their employment relationship at any time without penalty, subject to reasonable notice.
10.3b Forced Labour (deposits, fees, advances)	Conformance	Through the Code of Ethics and the Social Responsibility Policy, the Entity has signed a commitment not to take the following actions: <ul style="list-style-type: none"> - Request any form of deposit, recruitment fee or advance on equipment from Workers directly or through employment or recruitment agencies. <p>The Collective Labour Agreement (CCNL) is applied by the metalworking collective. Extraordinary hours are always authorized by managers and registered through magnetic badges and the maximum level is as per collective agreement. There is monitoring and a monthly dashboard of working hours, and in some areas, for example maintenance, the process is considered more critical. Overtime hours have been reduced by the use of workers in leasing contracts. Overtime is always voluntary and paid with a surcharge.</p>
10.3c Forced Labour (migrant workers)	Conformance	The Entity in its Social Responsibility Policy and Code of Ethics commits to human rights and legality. A sample of migrant workers were interviewed and a sample of personnel files checked and no evidence of requiring fees and deposits was found.

CRITERION	RATING	COMMENT
10.3d Forced Labour (debt bondage)	Conformance	The Entity in its Social Responsibility Policy and Code of Ethics commits to human rights and legality. A sample of migrant workers were interviewed and a sample of personnel files checked and no evidence of debt bondage was found.
10.3e Forced Labour (freedom of movement)	Conformance	The Entity in its Social Responsibility Policy and Code of Ethics commits to human rights and legality. A sample of migrant workers were interviewed and a sample of personnel files checked and no evidence of unreasonable restrictions was found. There is no on-site housing.
10.3f Forced Labour (retention of identity papers, permits, certificates)	Conformance	The Entity in its Social Responsibility Policy and Code of Ethics commits to human rights and legality. A sample of migrant workers were interviewed and a sample of personnel files checked and no evidence of retention of documents was found, only copies kept.
10.3g Forced Labour (freedom to terminate employment)	Conformance	Workers are free to resign with a notice period as required by the national Collective Labour Agreement. The notice period changes according to the professional category and the duration of the employment contract.
10.4 Non-Discrimination	Conformance	The Code of Ethics establishes equal opportunities for all workers. The Collective Bargaining Agreement regulates a production bonus for all workers. The Social Responsibility Policy guarantees equal opportunities and non-discrimination in the hiring, remuneration, promotion, training, opportunities for advancement or dismissal of any worker based on sex, race, national or social origin, religion or any other condition that may give rise to discrimination. An annual performance management system is implemented, based on the assignment of area and personal objectives with any professional development paths evaluated. No evidence of discrimination was found.
10.5 Communication and engagement	Conformance	There are different methods of communication and involvement such as: <ul style="list-style-type: none"> - Regular meetings between staff and management. - Social performance team meetings. - Meetings with workers' safety representatives. - Periodic meeting on health and safety between the Employer, Occupational Doctor, Head of the Prevention and Protection Service, Head of Workers for Safety (as mandated in Article 35 of Decree 81/2008). - Union meetings of workers registered with the union.

CRITERION	RATING	COMMENT
10.6 Disciplinary practices	Conformance	Disciplinary practices are applied in compliance with the national Collective Labour Agreement, the CCNL. The most serious disciplinary practices envisaged are suspensions, fines or warnings and any disciplinary practices take place with involvement of the union representative.
10.7a Remuneration (living wage)	Conformance	The remuneration levels are applied in compliance with the national Collective Labour Agreement for the sector. According to national statistics, the living wage is €758.68 per month (in 2019). The lowest level in the company is level III, which equates to a wage of approximately €1600 gross per month. Payrolls and bank transfers were sampled. The payslips comply with the standard forms approved by the public administration. Workers people interviewed stated they understood the contents of payslips and that payments were always on time.
10.7b Remuneration (method of payment)	Conformance	Salaries are paid on time every 10th day of the month via bank transfer. Access for internal payroll processing is via a badge detection system.
10.8 Working Time	Conformance	The Organization complies with applicable law and industry standards regarding working hours (including overtime). Recording of working hours is via magnetic badges. Overtime is voluntary and currently carried out due to increases in the workload. On the payslips there are records of attendance, absences, leave, illness, etc. The days of unused holidays are constantly decreasing.
PRINCIPLE 11 OCCUPATIONAL HEALTH AND SAFETY		
11.1a Occupational Health and Safety (OH&S) Policy (policy)	Conformance	The safety policies of the Laminazione Sottile, Italcot and IPS Industrial Packaging companies underlies their commitment to pursuing ever higher levels of employee safety. The policy of each company is periodically reviewed and shared with workers and other stakeholders through the company intranet, notice boards and via the websites: https://www.laminazionecottile.com/it/sostenibilit%C3%A0 https://www.italcoat.com/it/sostenibilita/hse/
11.1b Occupational Health and Safety (OH&S) Policy (workers and visitors)	Conformance	The safety policies of the Laminazione Sottile, Italcot and IPS Industrial Packaging companies underlies their commitment to pursuing ever higher levels of employee safety. The policy of each company is periodically reviewed and shared with workers and other stakeholders through the company intranet, notice boards and via the websites:

CRITERION	RATING	COMMENT
		https://www.laminazione sottile.com/it/sostenibilit%C3%A0 https://www.italcoat.com/it/sostenibilita/hse/
11.1c Occupational Health and Safety (OH&S) Policy (applicable law and standards)	Conformance	A commitment to comply with applicable law on workers' health and safety is included in Entity's various safety policies. Italy subscribes to ILO Conventions and being compliant with Italian laws in turn means compliance with ILO Conventions.
11.1d Occupational Health and Safety (OH&S) Policy (right to stop unsafe work)	Conformance	The right for workers to understand the hazards and safe practices for work and their authority to refuse or stop unsafe work are provided by Italian law Decree 81/08 on occupational health and safety. The Entity's safety policy states a commitment to comply with occupational health and safety laws.
11.2 OH&S Management System	Conformance	The Entity has a centralized HSE group. The HSE Management System is partially integrated and consists of a management manual, operating procedures, instructions, a register of legal requirements and a schedule of legal prescriptions. A statutory compliance audit is undertaken annually by an external consultant.
11.3 Employee engagement on health and safety	Conformance	Laminazione Sottile Group has appointed a Health and Safety Committee in order to promote the continuous improvement of the health and safety conditions of workers, periodic and formal risk assessments to identify and address real and potential risks to health and safety of all workers, as well as to investigate the causes of accidents and their management. The Committee is made up of senior managers, executive managers and worker representatives. HSE Department meetings are also held.
11.4 OH&S performance	Conformance	The HSE Department has the responsibility to carry out periodic audits and to comply with staff training programs. The HSE Department also presents the progress of safety activities to the various social parties through dashboards at various meetings. Safety improvement objectives are set every six months and are updated every six months and shared with social partners to provide evidence of continuous improvement.

Document Control and Version History

Revision	Date	Notes
0	29 March 2021	Initial Certification Audit (Full Certification)