

## SAFETY POLICY

Santa Margherita S.p.A. considers pursuing global safety as a major objective, as well as an integral part of its activities, and commits to:

a) the promotion of safety aspects as essential in adopting and developing new company policies as well as in the revision of existing company procedures; and

b) the promotion of the participation of all the company members, according to their job duties and responsibilities, to reach safety goals and objectives, in order to:

- realize the design of machineries, plants and tools, workplaces, operating methods and organizational aspects with the aim of protecting the workers health, the company goods, third parties and the community the company operates in;
- inform all workers about the company risks; their training and education will be made and updated according to their specific duties;
- face all the emergencies that occur during work activities with speed, effectiveness and care;
- promote the cooperation between the company resources, the cooperation with industrial unions, external authorities and goods & services suppliers;
- respect all the current regulations and laws, formulate procedures and comply with the company standards identified with a sense of responsibility;
- manage every activity with the aim of preventing accidents, injuries and dangerous behaviors; pointing to this purpose the design, the management and the maintenance, as well as the cleaning procedures of the workplace, machineries and plants;
- promote and sponsor research activities to increase the knowledge of the topic "health and safety on the workplace"; plan and develop standard operational processes.

The operations at Santa Margherita S.p.A. comply with Italian Legislative Decree 626/94: by this decree, subsequently updated, Italy complied with the regulations laid down by the European Union on safety in the workplace.

The main objectives are:

- to create organizational positions directly involved in maintaining a satisfactory degree of safety, such as the prevention and protection department official, the competent doctor and the workers' safety representative.
- to plan and put in place the allocation of the financial, human and organizational resources needed to apply the safety measures laid down by the law, to check on their implementation and to supervise compliance with the obligations prescribed by law.
- to create a document containing an assessment of the risks in the working environment, as well as to identify the preventive measures needed and to draw up a program to implement these measures.

To comply with these obligations, Santa Margherita S.p.A. must ensure the collaboration of managers and employees entrusted with specific tasks, who will be responsible for implementing prevention and safety measures according to their professional roles and within the areas of their specific competence.

Failure to observe the obligations indicated for employers, managers and persons in charge of implementing safety measures will result in fines by the competent Authorities, which will vary in relation to the degree of violation of the specific law.

Santa Margherita S.p.A. promotes the active participation of all those involved, including employees and/or their representatives, ranging from the definition of risk situations to the choice of solutions for their prevention and/or limitation. To ensure that workers are more aware of the need to comply with measures to prevent risk in the workplace, Santa Margherita S.p.A. organizes training and awareness-raising programs.

In compliance with 626/94 Legislative Decree, Santa Margherita S.p.A. has implemented general protection measures, essentially focusing on an evaluation of risks and their elimination or reduction to minimum levels in accordance with the most recent technical knowledge by means of intervention carried out at source. An Environment and Safety team has been organized in each production unit to conduct regular inspections.

On a regular basis, Santa Margherita S.p.A. organizes a meeting with the aim of verifying the state of implementation of the programs introduced and the effectiveness of the safety and protection measures implemented for the benefit of employees. During these meetings, Santa Margherita S.p.A. makes sure that employees correctly use safety devices and observe all safety regulations, both collectively and individually, as well as any other means of protection, warning or control.

Employees have yearly (trimestral for some positions) individual medical check-ups to make sure that they are:

- able to carry out the tasks they have been assigned; and
- not developing any illness directly connected to the execution of their tasks.

Except in exceptional cases and upon reasonable request, workers have the right:

- to refuse to resume work in situations where there is a serious and immediate danger;
- to leave the workplace or a dangerous area, when the serious and immediate danger cannot be avoided, without being subject to any detrimental consequences for their conduct;
- to take appropriate steps to avert the consequences of a serious and immediate danger, where it is impossible to contact a line manager or an appropriate person in the firm, without being suffering detrimental consequences for so doing, unless their conduct was seriously negligent; and

- to have individual medical check-ups if there is a link that can be documented between workplace risks and the request for such a check -up.

All workers have the right to receive appropriate information on prevention and protection. Apart from general information, workers are provided with specific information, the content of which derives from an evaluation of the risks carried out for individual workplaces or similar workplaces. Failure to observe the obligations specified for workers will result in fines by the competent Authorities, which will vary in relation to the degree of violation of the specific law.

The employees are insured against any physical or economic damages which they may suffer following accidents or illnesses caused by work. The employees of Santa Margherita S.p.A. are insured through INAIL (Istituto Nazionale per l'Assicurazione contro gli Infortuni sul lavoro e le Malattie Professionali) (Italian Workers' Compensation Authority), which provides compensation for:

- lost remuneration;
- reduced working capacity or loss of working capacity with resulting disability if the employee is victim of an accident at work;
- physical and/or mental impairment and its financial consequences.

In addition, insurance by INAIL grants an income to the survivors, in the event of death through an accident at work or a work -related illness.