

PALINGEO S.p.A.

SOCIAL BALANCE

SA8000

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Introduction

This SA8000 Financial Statements is the instrument of which ***Palingeo S.p.A.*** has decided to equip itself with the aim of providing stakeholders and anyone interested with a synthetic means of:

1. evidence of compliance with the individual requirements of the SA8000 standard adopted in the Company;
2. report on the "social" performance of the Company and their continuous improvement, regarding the contents of SA8000.

The preparation of the SA8000 Report is held annually, so as to highlight the temporal trend of the organization's social performance.

These SA8000 Financial Statements are made available to stakeholders and the public through publication, within 15 days of its approval, on the company website.

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1. Presentation of the organization

Since its establishment, the company **Palingeo S.p.A.** it has mainly carried out piling works, jet grouting, bored piles, C.F.A. and C.S.P. piles, injections and excavations.

Beyond the specific technical aspects of the individual intervention, the management of the activity takes place according to the rules defined in the Integrated Management System.

The company holds the following certifications:

- UNI EN ISO 9001:2015;
- UNI EN ISO 14001:2015;
- UNI EN ISO 45001: 2018.
- UNI EN ISO 39001:2016
- UNI EN ISO 37001:2016
- UNI PdR 125:2022
- HS 8000:2014

The territorial scope of reference is national, since the company's construction sites are located in various regions of Italy.

The activity of **Palingeo S.p.A.** It takes place in distinct areas:

- the administrative headquarters, based in the Municipality of Carpendedolo (BS), consisting of a structure housing an office building;
- temporary construction sites pursuant to Title IV of Legislative Decree L.gs. 81/08 and subsequent amendments.

In addition

- the Casalmoro (MN) headquarters, consisting of a warehouse, houses the warehouse;
- the Montichiari (BS) headquarters is used as a warehouse.
- The operating unit of Fiumedinisi (ME) will be used as a storage of equipment and / or materials

The organization has determined the processes necessary for the management system and their application, which include those related to management activities, the provision of resources, the realization of the product/service and the measurement, analysis and improvement, distinguishing the primary processes from the support ones.

Their definition is as follows:

PRIMARY PROCESSES	THESE ARE PROCESSES THAT DIRECTLY CREATE VALUE RECOGNIZED BY THE EXTERNAL CUSTOMER AND THEIR OPERATIONAL PERFORMANCE (COSTS, QUALITY AND TIME) DIRECTLY INFLUENCES THEIR SATISFACTION.
SUPPORT PROCESSES	THESE PROCESSES ARE NECESSARY FOR THE MANAGEMENT OF PRIMARY PROCESSES BUT DO NOT IN THEMSELVES CREATE A VALUE RECOGNIZED BY THE EXTERNAL CUSTOMER.

Each process includes:

INPUT	PHYSICAL AND INFORMATIONAL FACTORS ACQUIRED EXTERNALLY OR FROM OTHER BUSINESS PROCESSES, WHICH ARE NECESSARY TO START THE PROCESS PHASES.
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ACTIVITY	ACTIONS AND DECISIONS THAT, BY INTERACTING WITH EACH OTHER, ALLOW THE REALIZATION OF THE OUTPUT.
OUTPUT	IT REPRESENTS EVERYTHING THAT GOES TO CONSTITUTE THE RESULT OF THE PROCESS.
INDICATORS	TOOLS THAT MONITOR THE PROGRESS OF THE PROCESS IN QUESTION. THEY CAN BE QUALITATIVE OR QUANTITATIVE.

The organization has identified five processes necessary to ensure that the services provided comply with the customer's needs and other applicable requirements.

1	The process of managing the relationship with the customer, described in the PR 8.2 procedure, concerns the acquisition of works, both through tenders and through bids and private negotiations.
MANAGEMENT CUSTOMER RELATIONSHIP	This process in the field of public works starts with the selection of tender notices and the acquisition of all the technical documentation necessary for a technical and economic evaluation of the potential work, a formulation of a cost estimate, a definition of the discount to be applied to the tender amount and thus the preparation of all the documentation necessary for participation in the tender. Following the award of the contract, the contract is signed after re-examination. In the field of private works, the acquisition of the assignment begins with a negotiation phase with the client after a technical and economic analysis of the potential work to then arrive at the preparation of the offer and all the documentation necessary for the acquisition of the work. The process of acquiring works includes the possibility of agreeing on changes to the contract stipulated. To complete the definition of the requirements for the optimal performance of the production processes, customer satisfaction is monitored.

2	As far as the activity of design - architectural, plant engineering, etc... is not carried out directly by the Organization, in the execution of its activity it may intervene in this process by determining its modification.
DESIGN MANAGEMENT	The process in question interfaces with the commercial, procurement and service management processes.

3	The procurement management process, described in the PR 8.4 procedure, starts:
MANAGEMENT SUPPLIES	• the research and preliminary evaluation of potential suppliers; • the qualification of suppliers and the definition of a list of qualified suppliers; • from the definition of purchase data and order issuance and concludes with: • the surveillance of supplies; • the surveillance of suppliers. The aforementioned procedure regulates the methods for the procurement of: • materials; • labor supplies; • Supplies of professional services.

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4	The process is about defining the professional requirements of each member of the organization and increasing skills and knowledge through education and training. The following activities are part of this process: • recruitment of new staff; • insertion and training; • formation; • evaluation of the effectiveness of the training provided; • survey of the satisfaction of individual resources. The process also involves the management of all operational tools to support the smooth running of the business.
MANAGEMENT RESOURCES	

5	
MANAGEMENT ACTIVITY	The management of the activities concerns the attribution of responsibilities, the planning of the phases of the work and the definition of the rules for the management and controls of the critical aspects of the intervention (special processes relating to the activity), the method of execution of the interventions and all the related controls. The organization carries out the activities described at the beginning of this chapter. To support its activities, the Organization may resort to outsourcing: in relation to the extent of the intervention, it may outsource certain processes (sub-contracts), such as • architectural design; • laboratory analysis; In these cases, the organization ensures and keeps these processes under control by transmitting the requirements of its quality management system relating to the management of activities related to the creation of the product and/or requesting documentation (procedures, control plans, etc.) that guarantees compliance with contractual requirements and applicable mandatory legislation. Where deemed necessary, the organization can also define an audit of its suppliers through second-party audits. The above conditions are considered to be met in the event that the outsourced activity is carried out by organizations in possession of a certified quality management system. In any case, however, the management and control methods will be specified on specific forms in the context of supplier qualification, order planning, development of the quality plan and the control plan. In addition, the responsible functions monitor and record the activity of each individual sub-contractor, and evaluate their correct work.

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To support the main processes listed above, the organization has identified and monitors the following **SUPPORT PROCESSES**:

a.	ADMINISTRATIVE MANAGEMENT
A process that interfaces with all the main processes and has the purpose of managing invoicing, both active and passive, and company accounting.	
b.	DOCUMENTATION MANAGEMENT
This is the process that allows you to keep documents under control, i.e. information with their medium of support, both of internal and external origin. This process is described in detail in the PR 7.5 procedure.	
c.	MANAGEMENT OF REVIEW BY MANAGEMENT
The process aims to keep the effectiveness of the entire quality management system under control, establish and update the reference principles, monitor processes and define improvement objectives.	
d.	MANAGEMENT OF NON-CONFORMITIES, CORRECTIVE ACTIONS AND PREVENTIVE ACTIONS
The process aims to provide the tools for the management of problems that may emerge, solving them and, if necessary, intervening on the causes that generated them. The management methods are described and explained in detail in the PR 10.2 procedure.	
e.	INTERNAL AUDIT MANAGEMENT
The process makes it possible to carry out a detailed check on the management methods of the various business processes to allow the identification of possible improvements as well as shortcomings on the part of the operators in the application of what is defined in the PR 9.2 procedure.	

As regards the corporate structure, **Palingeo S.p.A.** has identified and defined its own organisational chart representative of the assignment of the roles of company personnel.

The definition of tasks and responsibilities is contained in the Company Job Description.

Organization chart and job description are attached to this document.

2. PURPOSE

The SA 8000 Report is the tool that the company has decided to equip itself with the aim of providing stakeholders and anyone interested with a synthetic means of highlighting compliance with the individual requirements of the SA 8000 Standard adopted in the company and reporting on the "social" performance of the Company and their continuous

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improvement, with regard to the contents of SA 8000. The purpose of this document is to provide a voluntary and verifiable report on how **Palingeo S.p.A.** it enhances and protects all staff.

The document is primarily based on national laws, as well as international human and labour rights standards.

3. SCOPE OF APPLICATION

It is applicable to the entire Palingeo organization. The preparation of the SA 8000 Financial Statements takes place on an annual basis, so as to highlight the temporal trend of the internal parameters taken into consideration and their comparison with average external values taken as a reference.

The SA 8000 Report is made available to stakeholders and the public through its free consultation on the company website

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4. Identification of stakeholders and their expectations

Palingeo S.p.A. has identified the following stakeholders interested in its performance on SA8000 topics.

Internal stakeholders

- Members;
- employees and collaborators.

In relation to these, the expectations expected as a result of the adoption of the SA8000 standard can be summarized as follows:

- ✓ facilitate company dialogue and discussion with the Workers' Representatives;
- ✓ improve the corporate climate, through greater protection of workers and their involvement in achieving objectives of improvement in working conditions;
- ✓ ensure compliance with collective bargaining constraints;
- ✓ to preserve the credibility and reputation of the Company, in order to provide objective evidence of respect for the human rights of workers, through a social responsibility management system.

External stakeholders

- suppliers and partners;
- Customers;
- social security and welfare institutions;
- local trade union organizations;
- public administration and local institutions;
- Non-governmental organizations.

The expectations of external stakeholders, although composite and dependent on the specific roles that each of them assumes towards **Palingeo S.p.A.**, can be summarized in:

- ✓ have evidence of respect for the human rights of workers, through a social responsibility management system;
- ✓ detect a facilitation of relationships during the comparison and/or control phase regarding the issues of competence.

All interested parties can contribute to the Social Responsibility Management System of **Palingeo S.p.A.** communicating directly to the organization by fax or e-mail with the subject "SA 8000 REPORT":

- reports on the merits with respect to social benefits;
- reports on the clarity and presentation method used in the social report itself.

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5. Social Responsibility Policy

Palingeo S.p.A. conforms its internal and external activities to compliance with the principles contained in the Company Policy and in the Code of Ethics, in the belief that the successful management of the business activity cannot be separated from ethical behavior towards all parties involved.

To this end, the company management has deemed it essential to implement its company management system in compliance with the UNI EN ISO 9001:2015, UNI EN ISO 14001:2015, UNI EN ISO 45001:2018, UNI EN ISO 39001:2016, UNI EN ISO 37001 and UNI PdR 125:2022 standards in order to make it meet the requirements of the SA8000 standard. The management system therefore becomes a tool through which the organization identifies, plans and verifies the appropriate and effective actions to implement the principles of social responsibility provided for by the reference standard.

In pursuing this objective, **Palingeo S.p.A.** adheres to general principles, such as, by way of example, compliance with current legislation and any other commitment undertaken, enhancement of human resources, protection and prevention in the field of health and safety, environmental protection, defined in a specific document, the Company Policy, which is attached to this document.

6. Description of the implemented management system

In order to implement the requirements of the SA8000 reference standard, **Palingeo S.p.A.** has integrated its management system by providing:

- 1- the definition of formalized rules for the management of the employment relationship both in terms of compliance with general principles (e.g. the use or support of child labor and forced labor is prohibited), and the management of documentation, working hours and remuneration methods;
- 2- the definition of dedicated channels of communication to and from the interested parties with the possibility for the latter to formulate observations and/or reports on the social performance of the organization, guaranteeing the confidentiality necessary to prevent any form of retaliation against the person who submits a complaint or report;
- 3- the management of the staff training process aimed at ensuring full awareness of the latter regarding the requirements of the reference standard and the implications of its implementation by the organization;
- 4- the identification of two work teams, a Social Performance Team and a Health and Safety Committee, with the responsibility of ensuring the implementation of the social performance management system by conducting risk assessments, defining measures to manage the risks identified and verifying their application;
- 5- the definition of a qualification process for suppliers, sub-suppliers and subcontractors in order to ensure or, where this is not reasonably feasible, to promote compliance with the requirements of the standard also by these subjects;
- 6- the definition of a monitoring system for the actions planned by the Social Performance Team in order to ensure compliance with the requirements of the standard, the rules of the management system and the objectives defined for social performance;

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- 7- the implementation of the company procedure for the management of non-conformities and corrective and preventive actions in order to include the detection and monitoring of such situations and actions also in the field of social performance.

In practical terms, these procedures consist of documents that describe how the activities must be conducted (Management System Procedures) and documents that allow the execution of the activities and their outcome to be recorded (Management System Modules).

7. Social responsibility requirements

The commitments deriving from the SA8000 certification consist in compliance with principles and requirements that the standard precisely indicates and which constitute the most widespread standard worldwide for the social responsibility of a company, with particular reference to human and social rights.

Below are the main contents and qualitative and/or quantitative data relating to Palingeo are displayed.

7.1 Child labour

The company does not employ or utilize workers under the age of 18. Company procedures do not allow the hiring of underage workers.

With reference to the SA8000 standard, Palingeo does not allow the use of child labor and recognizes study as one of the main factors of the psycho-physical development of adolescents: consequently it undertakes to employ only personnel over the age of 18.

In order to guarantee that no young worker is mistakenly employed in the company, at the time of selection in doubtful cases, the veracity of the candidate's personal data is ascertained and, at the time of hiring, a copy of identity documents, residence permit in Italy (if non-European Union citizen) and those required by the CCNL is requested.

The Purchasing function requires its Suppliers to comply with the principles dictated by the SA 8000 standard so that they do not use child labour and undertake, in writing, to comply with this principle considered fundamental for the establishment of a lasting business relationship with **Palingeo S.p.A.**

Should a child worker be detected at the workplaces or at the workplaces of suppliers, the Company will be responsible for contacting the competent Social Services territorially, giving all the support so that an adequate remedy plan is activated for the child and/or his/her family members.

The nature of the services provided by Palingeo makes it difficult to employ minor or child workers. At present, there are no training internships or internships in the work area, nor apprenticeships employing child labor in Palingeo.

Target review for 2024: goal achieved

Goals for the future

2025 TARGET	ACTION	APPOINTEE	OBJECTIVE NO.	TIMING
Maintain the current situation of non-use of child labour	Maintaining the recruitment policy based on age criteria (no employees under the age of 18)	Personnel and Management Office	0 minors	December 2025

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Not encouraging the use of child labour within your supply chain	Administration of questionnaire and Supplier requirements to comply with SA 8000 requirements	Purchasing Office and RGI	1	December 2025
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5.2 Forced work

In accordance with applicable laws, Palingeo does not resort to, or advocate, the use of compulsory labor and does not require personnel to leave deposits or identification documents at the time of commencing employment with the company. The staff, at the time of hiring, is informed about the contractual clauses, which they sign, and the composition of the payslip. At any time, the worker can contact the Personnel office for clarification on the payslip.

Business strategy requires the involvement of all people.

The company, therefore, has among its objectives that of promoting an increasingly serene working environment, refusing the use of any form of coercion against its staff.

The work carried out by all the personnel employed in the Company is carried out completely spontaneously without any form of coercion, obligation or constraint. No one is, or can be, the victim of threats or other intimidation that forces him or her in any way to work for the Company. No arbitrary deductions are made from employees' salaries. Deductions can only be made in the cases provided for by law for the CCNL or in response to voluntary requests by the worker (e.g. union deductions, pension funds, etc.).

The Organization requires the worker to provide the necessary documentation for the purposes of managing the employment relationship and for ordinary legal obligations such as the identity card (and keeps only a copy), the tax code, the family status, the residence permit (if coming from non-EU countries), the bank details, the form for tax deductions, the form for severance indemnity destination.

In the event that the documents are kept for administrative and personnel management activities, the delivery and return of the same is guaranteed through a special registration.

The freedom to leave the workplace at the end of the work shift is also guaranteed, in accordance with the provisions of the CCNL.

It also guarantees the clear dissemination of information on company rules and procedures for withdrawal from the employment contract, in particular the freedom of workers to resign when they wish and knowledge of the method of payment of the last salary.

Any resignation by the worker can be submitted in the manner provided for in the individual employment contract which refers to the national collective labour agreement applied by the Organisation.

The Purchasing Department requires Suppliers to comply with the principles dictated by the SA 8000 standard so that they do not make use of compulsory work and commit themselves in writing to comply with this principle, which is considered fundamental for the establishment of a lasting business relationship with the company.

Target review for 2024: goal achieved

Goals for the future

2025 TARGET	ACTION	APPOINTEE	TIMING
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Maintain the current situation of non-use of compulsory labour	Internal monitoring and verification of suggestions deposited in the appropriate box	RSGI and Human Resources Office, Directorate	December 2025
Stimulate worker involvement, maintaining a constant dialogue at all levels of the company	Organization of annual training/information meetings on ethical and social issues, i.e. requested by the Workers' Representative for SA 8000 or directly by the workers	Personnel Office, RSGI, Rapp. SA 8000 Workers	December 2025
Do not encourage the use of compulsory labour within your supply chain	Administration of questionnaire Suppliers request compliance with the requirements of SA 8000.	Purchasing and RSGI	December 2025

5.3 Health and Safety

Palingeo S.p.A. places the health and safety of its workers among its primary objectives; this attention is proven, among other things, by obtaining the certification of its management system in accordance with the UNI ISO 45001:2018 standard by an accredited third party.

Palingeo guarantees a safe and healthy workplace and takes appropriate measures to prevent accidents and damage to health that may occur during the performance of work or as a result of it, minimizing, as far as reasonably practicable, the causes of danger attributable to the work environment. The company has appointed a Worker Safety Manager.

The company has always been attentive to the safety and health of its workers both by constantly investing in training and information courses for employees and by providing safe workspaces, thanks to an accurate risk assessment.

All company personnel receive regular and documented safety and health training, and this training is repeated for new and reassigned personnel. The company has established systems to identify, avoid or deal with potential risks to the health and safety of all personnel (as shown by the risk assessment pursuant to Articles 28 and 29 of Legislative Decree 81/08 and subsequent amendments).

The Company is committed to protecting the health and safety of its employees and collaborators, taking appropriate measures to correct any conditions that are dangerous to health or safety. Everyone has their share of responsibility in achieving this goal, scrupulously adhering to the procedures established to ensure their safety and that of their colleagues. Points of reference for workers are the Head of the Prevention and Protection Service (RSPP) and the Workers' Safety Representative (RLS), two figures who actively participate in the management of safety at work in the prevention and protection service.

The company requires suppliers to comply with the SA 8000 standard and the national and international standards in force on the safety and health of workers and their commitment, in writing, to this fulfilment, considered essential for the establishment of a lasting business relationship.

Target review for 2024: goal achieved

Goals for the future

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2025 TARGET	ACTION	APPOINTEE	OBJECTIVE NO.	TIMING
Constantly monitor the level and causes of injury	Keeping company activities under control in order to ensure a suitable, safe and healthy working environment	RSPP	1 (n° check list to be used throughout the year)	December 2025
Prevent and minimize injury absences	Organization of information/training meetings on the prevention of potentially more frequent accidents in the sector of activity	RSPP	1	December 2025
Ensuring appropriate hygienic, sanitary and safety conditions in the workplace	Monitoring and supervision of workers' health and safety conditions	RSPP MC	1	December 2025

5.4 Freedom of association and the right to collective bargaining

The Company respects the right of all staff to freely join trade unions and the right to collective bargaining.

The CCNL for the sector of reference apply to all workers.

Although there are currently no union representatives within Palingeo and no union members, the company does not hinder the possibility of being able to elect them and is also in favor of the membership of its workers.

In addition, to facilitate meetings and increase awareness among employees, the company normally allows the use of company spaces for meetings and internal meetings in compliance with the provisions of the law and internal regulations.

Palingeo requires Suppliers to comply with the SA 8000 standard and the national and international regulations in force on the freedom of association and collective bargaining of workers and their commitment, in writing, to this fulfilment, considered essential for the establishment of a lasting business relationship with the company.

Target review for 2024: goal achieved

Goals for the future

2025 TARGET	ACTION	APPOINTEE	TIMING
Maintaining the current situation of freedom of association and the right to collective bargaining	Maintain the current level of information on the possibility of joining and being represented by a trade union	RSGI Personnel Office	December 2025

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5.5 Discrimination

Palingeo S.p.A. does not implement or encourage any type of discrimination against its workers in hiring, remuneration, access to training, promotion, dismissal or retirement, guarantees equal opportunities to all employees and does not implement or allow interference in their private or religious life or in any way related to race, class, national origin, religion, disability, sexual orientation, family responsibilities, marital status, trade union membership, political opinions or affiliations, age or any other condition that could give rise to discrimination.

Staff is recruited through interviews carried out by the Management with the collaboration of the Function Managers concerned. The interview consists of verifying the possession of the minimum requirements established for the function in question and previous work experience. Palingeo does not interfere with the exercise of the right of personnel to follow principles or practices, or to meet needs related to race, class, national origin, religion, disability, sex, sexual orientation, trade union membership or political affiliation. Palingeo does not allow behavior, including gestures, language, or physical contact, that is sexually coercive, threatening, abusive, or exploitative.

Staff and partners are raised to the attention of staff and partners through dedicated training/information meetings, as well as through the dissemination of company policy that contains explicit reference to this principle.

It is the task and responsibility of everyone, by virtue of their role in society, to promote a work environment free of prejudice and discrimination, respecting the personality of professional resources; In this sense, everyone must actively collaborate to maintain an internal climate that guarantees respect for the dignity of everyone.

The majority of the company's presence in the company is male (12 women out of a total of 224 employees), but this situation is essentially attributable to the type of activity provided (construction activities on site); To confirm this, it can be seen that in the administrative sector (offices) the ratio between male and female presences is in fact more balanced (12 women out of 20 employees).

The Purchasing Department requires Suppliers to comply with the SA 8000 standard and the national and international standards in force so as to avoid situations of discrimination and their commitment, in writing, to this fulfilment, considered essential for the establishment of a lasting business relationship with the company.

Target review for 2024: goal achieved

Goals for the future

2025 TARGET	ACTION	APPOINTEE	TIMING
Maintaining the current non-discrimination situation	Monitoring: - maintain the stable presence of women, particularly in corporate offices - keep the ratio between fixed-term contracts and open-ended contracts stable and proportionate - Zero discrimination claims	Personnel office rapp. SA 8000 Workers	December 2025

5.6 Disciplinary practices

In accordance with applicable law, Palingeo does not use or support the use of corporal punishment, mental or physical coercion, or verbal abuse. The company applies disciplinary measures in compliance with current legislation and the

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National Collective Labour Agreement of the sector, ensuring that employees take measures in compliance with their rights and without subjective and arbitrary decisions.

There were two disciplinary proceedings initiated during 2022 for infractions provided for in the relevant CCNL.

The management of disciplinary practices provides for the notification of the complaint to the worker, preferably by registered mail, with a request for feedback from the same; Following the finding, the top management assesses the admissibility of any justification put forward and defines the need or not for a disciplinary sanction, together with its amount.

Compliance with the provisions of the relevant National Collective Labour Agreement and the Workers' Statute with regard to the methods of managing the practices in question remains unaffected.

The limited number of disciplinary complaints is due not only to a behavior respectful of the rules by the staff, but also to the practice of the top management of the company to proceed with a preliminary management of the reprehensible conduct by means of a verbal warning.

The company makes available the CCNL and the Workers' Statute so that it is possible to view the provisions of the law on disciplinary procedures.

There are no situations of abuse or improper use of the disciplinary procedures provided for by the CCNL or the Social Responsibility rule. There have never been any complaints from employees. The company does not use or advocate corporal punishment, mental or physical coercion, or verbal abuse.

The company has drawn up and made available to its employees a Code of Ethics, which is displayed on the company bulletin board and is also published on the company website.

The Purchasing Department requires Suppliers to comply with the SA 8000 standard and the national and international regulations in force so that disciplinary procedures that involve the use of corporal punishment, mental or physical coercion and verbal violence are not applied or sustained and their commitment, in writing, to this fulfilment, considered essential for the establishment of a lasting business relationship with the company.

Target review for 2024: goal achieved

Goals for the future

2025 TARGET	ACTION	APPOINTEE	TIMING
Maintain the current situation of compliance with disciplinary rules	Internal monitoring	RSGI Personnel Office Directorate	December 2025

5.7 Working Hours

Palingeo complies with the provisions of the CCNL applied regarding working hours, holidays and holidays. Working hours are recorded through a special register in which the number of hours per day of staff presence are reported.

The company applies the full-time hours fixed during collective bargaining or the individual part-time hours, defined and agreed between the parties.

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The duration of the work activity is fixed, as per the CCNL, at 40 hours per week.

The company's work is divided into the time slot from 8.00 to 18.00, from Monday to Friday.

Overtime is voluntary.

There may be situations in which overtime may be required in the face of:

- peaks of work related to particular orders
- activities related to professional figures of particular specialization

Overtime is, however, always voluntary and agreed with the employee and contained within the limits of the law. The remuneration for overtime hours complies with the increase provided for by the CCNL.

The company is also careful to ensure that all staff take advantage of accrued holidays and leave, as planned and in accordance with the provisions of current legislation on the subject.

All holidays/permits are used by workers within the deadlines provided for by current legislation on the subject. If the worker does not use it voluntarily, the company itself will inform the interested party of this need and invite him to use it in order to enforce legal obligations.

Target review for 2024: goal achieved

Goals for the future

2025 TARGET	ACTION	APPOINTEE	TIMING
Reduction in the number of hours of holidays/leave not used in the year of accrual	Quarterly monitoring of holidays/leaves used by staff	Human Resources Office	December 2025
Compliance with working hours in accordance with the provisions of the relevant national collective bargaining agreement	Monitoring of hours worked in relation to workable hours	Human Resources Office	December 2025

5.8 Salaries

Wages comply with the provisions of the CCNL.

Salary payments are made by bank transfer.

The company collaborates with an external consulting firm regarding payroll accounting. The pay slips received are also checked internally to verify their correctness and completeness.

In accordance with the provisions of current legislation, the composition of the salary in the payslip is detailed.

The company guarantees that a level of remuneration is paid in accordance with the provisions of the CCNL applied, capable of ensuring a dignified life and without any form of discrimination in this sense against workers.

The Company in order to comply with the legal requirement and obligations:

- guarantees compliance with the legal minimum wages and able to meet basic needs;
- guarantees the clarity of the items in the payslip and the willingness to give explanations to the worker for their interpretation, when requested;
- ensures that the payslip is paid in accordance with legal requirements;
- ensures that no use of atypical work is made outside the limits provided for by the law on the subject and with

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the intention of not regularizing the worker's salary position;

- ensures that no false apprenticeship schemes are applied.

The Purchasing Department requires suppliers to comply with the SA 8000 standard and the national and international standards in force so that a salary is paid in compliance with the CCNL of the sector to which they belong and their commitment, in writing, to this fulfilment, considered essential for the establishment of a lasting business relationship with the Company.

Target review for 2024: goal achieved

Goals for the future

2025 TARGET	ACTION	APPOINTEE	TIMING
Maintain the current situation of compliance with the regulatory provisions of the reference CCNL	Internal monitoring	RSGL Personnel Office rapp. Workers	December 2025

8. Supplier control

Palingeo has established and maintains an appropriate procedure for the evaluation and selection of suppliers.

Suppliers are required to issue a statement of commitment to comply with the requirements of SA 8000 towards their workers.

Palingeo gives the utmost importance to the involvement, gradual over time, of the Suppliers. This goal has as its ultimate goal to achieve full compliance with SA8000 throughout the supply chain.

Palingeo, during the year 2024, continued with the system of verification and awareness of the work of suppliers, asking them to comply with the rules and principles contained in the SA8000 standard (also extended to the chain of their suppliers), to fill in a specific questionnaire and to be willing to provide information where requested.

Target review for 2024: goal achieved

Goals for the future

2025 TARGET	ACTION	APPOINTEE	TIMING
Improve supply chain investigation	Implementation of stimulus and prompt response activities by suppliers	RSGL and Purchasing Department	December 2025

9. Politics and communication

The company has defined a Policy and a Code of Ethics for Social Responsibility that contain:

- the commitment to meet all the requirements of the SA8000 standard;
- the commitment to comply with national or other applicable law, international instruments and their interpretation and other commitments or agreements that the company signs;
- the commitment to continuous improvement.

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In the first years of drafting the social report, the company's workers, customers and suppliers were identified as the stakeholders closest to the company and most involved in the life of the company.

In 2024, as in previous years, the communication activity took place through the publication of the Social Responsibility policy, the Code of Ethics and the SA8000 Financial Statements on the company website.

Target review for 2024: goal achieved

Goals for the future

2025 TARGET	ACTION	APPOINTEE	TIMING
Greater involvement of stakeholders in sharing the commitment to comply with SA8000 requirements	- Raising awareness on the issues of eco-sustainability and social responsibility - Keep publications up to date on the website	RSGI Workers' Representative SA 8000	December 2025

10. Management Review

The company's Management deems it necessary to review its Social Responsibility Management System at least once a year, to verify its adequacy, suitability and effectiveness as well as compliance with the SA8000 standard.

To this end, the results of the review are analysed and, if necessary, actions to adapt the system are planned, recording and maintaining the review and its outcomes.

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11. Future planning of social management

In accordance with the provisions of the Management System implemented, Management Reviews were conducted relating to the organisation's social performance, as part of which the company's improvement objectives were formalised and verified; they had already been the subject of further review at the SPT meeting.

Palingeo strives to ensure that all the requirements of the SA8000 standard are understood and implemented at all levels of the organization.

The methodologies must include, but are not limited to:

- *A clear definition of roles and responsibilities.* The corporate organization chart has been prepared and attached to these Financial Statements, in which the responsibilities and roles of each person in the company are clearly defined, also in relation to SA8000.
- *Periodic training and staff awareness programs.* The principles and the Social Responsibility Policy were disseminated to all workers.

The ideas for improvement identified are essentially attributable to:

1. revision of the Social Report with reference to the guidelines on the www.lavoroetico.org website and adherence to the Observatory for Social Responsibility.

12. Attachments

Below is a list of the documentation of the Management System referred to in this document and presented as an annex to it:

- 1- Company organization chart
- 2- Job description
- 3- Company policy