

CATTINI & FIGLIO S.r.l.

Communication on Progress
for year 2016
to the UN Global Compact

Cattini & Figlio's COP
for year 2016
to the UN Global Compact

- SUMMARY:
- Continuous commitment to the UNGC and its principles.
- 2016 Status.
- 2017 Targets.

Cattini & Figlio's COP for year 2016 to the UN Global Compact

CONTINUOUS COMMITMENT TO THE UNGC AND ITS PRINCIPLES:

It is a pleasure to confirm Cattini & Figlio's continuous commitment to the 10 universal principles of the Global Compact.

The challenging market conditions which endured in FY 2016 didn't stop our Company to proceed in direction of the highest ethical behaviour.

New contracts have been sealed in the current year with a major Customer operating worldwide and we are convinced that running an ethical business and being part in the UNGC played an important role in this business being awarded to our Company.

We are always pleased and convinced to be part of this voluntary alliance for a better corporate world and encourage all Companies' Representatives reading this report to enroll in the UNGC soon.

Casarile, December 14, 2016
Lorenzo A. Cattini – Chairman, C.e.o.

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- ***HUMAN RIGHTS STATUS (1):***
- Cattini & Figlio never tolerated and never will tolerate any kind of abuse in respect with the universal known human rights.
- There has been no reported case of inobservance of any human rights since the e-mail anonym hotline has been established in 2010.
- Cattini & Figlio will endlessly continue to stress the importance of respect of human rights throughout its entire organization and to all stakeholders including suppliers.

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- ***HUMAN RIGHTS STATUS (2):***
- Health and safety issues are covered by periodical meetings between employees and management representatives.
- Employees are represented by three qualified persons.
- Cattini & Figlio has appointed a management representative for health, safety and environment duly empowered to act.
- Plenary health and safety session is held annually.
- The totality of employees is covered by collective bargaining agreements.

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- ***LABOUR STATUS (1):***
- Cattini & Figlio recognizes the right for all employees to associate to unions and confirms that the unions are not to be subject to any kind of discrimination.

Year	2016
Total employees	261
Associated to unions	42

Above headcount exclude temporary workers.

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- ***LABOUR STATUS (2):***

- The use of child and/or forced labour in Cattini & Figlio's plants as well as in our Suppliers facilities has never and will never be tolerated; no person will be enrolled under the minimum age permitted by the Italian law.

Age employees	
from 15 to 20 years	0
from 20 to 35 years	69
from 35 to 50 years	142
from 50 to 60 years	50
above 60 years	0

Above headcount exclude temporary workers.

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- ***LABOUR STATUS (3):***
- One of Cattini & Figlio's major objectives is to take care of its human resources and to endlessly develop their potential through appropriate business climate, training, job rotation and other universally accepted practises.
- During selection and recruitment of new personnel, only job specific issues are taken into account to identify the best possible candidates for the position.
- Cattini & Figlio takes into account each person's attitudes and performances only without making any gender, racial or other kind of discrimination.

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- ***ENVIRONMENT STATUS (1):***
- Cattini & Figlio takes care to minimise the impact to the environment as much as possible taking into consideration the inevitable constraints due to the fact that materials and manufacturing methods are specified by its Customers.
- In FY 2016 we maintained our environmental certification for our major plant and are working to certify the second plant within FY 2018.
- In FY 2016 we decommissioned further 15 old machines in accordance with the 2016 environmental target to be more efficient and reduce our environmental footprint.
- In FY 2016 the use of synthetic based lubricants has been spread throughout the Company, resulting in better quality of air inside the plants and lower emissions.

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- ***ANTI-CORRUPTION STATUS:***
- Corruption has never and will never be tolerated by Cattini & Figlio: so far, no non compliance to our policy has been reported to the top management of our Company.
- Our Code of Ethics is extremely clear about non-ethical issues: our Company will stop or not enter into business relations with any third parties responsible for such painful acts.

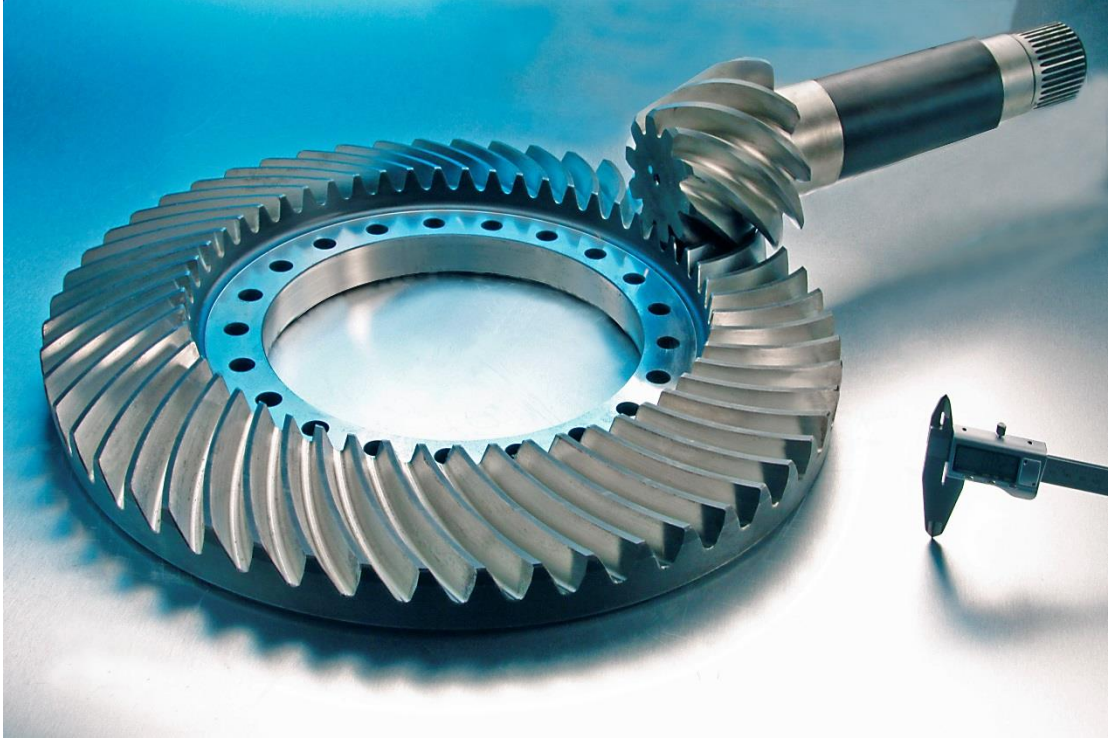
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- ***STATUS 2016: WHAT WE HAVE DONE***
 1. We've been audited three times during FY 2016 to verify the effectiveness of the voluntary management model according to the legislation act 231 with good results.
 2. Prepared the extension of the environmental certification of the second facility for which target has been reset to 2018.
 3. Reduced the average leadtime of one week to improve Company's agility to react to market challenges.

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- ***TARGETS FOR 2017:***

1. Continue to spread the UNGC principles throughout our supply chain;
2. Re-engineer at least two internal processes to achieve less waste of resources and improve efficiency.



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END OF COP FOR YEAR 2016

Thank you for your attention!