	SOCIAL ACCOUNTABILITY SA 8000 ANNUAL REVIEW YEAR 2013	March 2014
		Pag. 1 di 9
Written by: RAQ	Verified by: UR	Approved by da: AD

This 8000 SA Review can be considered as a dynamic document that attests De MATTEIS Agroalimentare spa (DMA)'s commitment and contains the operating procedures put in place to achieve our goal regarding the compliance with the SA8000 standard and therefore is subject to amendment, even frequent, in line with the changes in the company management system.

The Review is written and signed by the Management Representative for the SA 8000 (RDSA8000), verified together with Quality Assurance Manager and the SA800 Deputy of Workers (RLSA8000) and signed for approval by the Managing Director.

The following elements have been discussed during the meeting:

1. The company policy;
2. Reports of workers;
3. Deviation, the out coming corrective actions, the status of implementation of corrective actions;
4. Activities towards the civil society;
5. Analysis of the requirements of social responsibility;
6. Analysis of the indicators for SA 8000 The company's policy

Our Policy

The content of the Integrated Quality , Ethical , Environmental Policy has not changed.

This document, which is an explanation of our mission: "To achieve maximum customer satisfaction by producing high quality pasta through the control of the integrated process of transformation of raw materials while maintaining the company at high levels of advancement and technological process " and perfectly in line with the visual of "getting the nationally and internationally company firmly placement among the main leaders of the sector, by constructing an image of high quality and ethics."

Worker Invoice

Reports of NC regarding ethics are done through e-mail , by telephone, written document delivered by hand, by post or by fax or inserted inside the special box placed for this purpose in the locker room employees.

The opening of the box is made every six months in the presence of the SA8000 deputy of workers and the Management Representative for the SA 8000

If the alerts are signed, the company not only do not take action against the workers, with disciplinary action, dismissals or other discriminatory acts , but the event is definitely

Pastifici e Molini

considered as a positive act that denotes a level of maturity and Social Responsibility which is taken into account in the planning of individual training activities .

In 2013 no complaints from workers were received.

In order to deepen the Company Business climate, a survey was carried out.

The survey is performed by answering in an anonymous form, a questionnaire administered to all staff.

The resulting data, shown in the table below, have been analyzed by the SA8000 Management representative, and the SA8000 Deputy of workers and discussed at during the annual Management System review.

Progr.	Quesito	Accett. %	Buono %	Insuff. %	Scad %	TOT RISP	Risp pos.	Risp Neg.
1	SODD. INCARICO LA VORATIVO	39	47	12	2	59	86	14
2	ACCETTAZIONE LA VORO STRAORDINARIO	44	44	10	2	59	88	12
3	AMBIENTE E SICUREZZA	44	41	12	3	59	85	15
4	DISPONIBILITA' DPI	46	42	10	2	59	88	12
5	FORMAZIONE SULLA SICUREZZA	34	46	15	5	59	80	20
6	ATTEGGIAMENTO AZIENDALE RISPETTO ALLE ASSOCIAZIONI SINDACALI	47	29	10	14	59	76	24
7	DISPONIBILITA' DELL'AZIENDA ALLE ASSEMBLEE SINDACALI	47	22	17	14	59	69	31
8	ASPETTI DISCRIMINATORI	22	63	14	2	59	85	15
9	PARI OPPORTUNITA' (LA VORATORI DI SESSO DIVERSO)	41	42	17	-	59	83	17
10	PARI OPPORTUNITA' (LA VORATORI ISCRITTI AI SIDACATI)	39	41	10	10	59	80	20
11	RAPPORTO CON I CAPI	31	41	22	7	59	71	29
12	TUTELA AZIENDALE (MOLESTIE E PERSECUZIONI)	42	46	7	5	59	88	12
13	COMPORAMENTO AZIENDALE (PRATICHE DISCIPLINARII)	53	34	8	5	59	86	14
14	CARICHI DI LA VORO	51	25	14	10	59	76	24
15	ORGANIZZAZIONE DEL POSTO DI LA VORO	44	25	22	8	59	69	31
16	GESTIONE DELL'ORARIO DI LA VORO	41	34	15	10	59	75	25
17	GESTIONE DEL TEMPO LIBERO	53	19	22	7	59	71	29
19	CORRETTEZZA BUSTA PAGA	46	44	7	3	59	90	10
20	PUNTUALITA DI EROGAZIONE STIPENDI	7	93	-	-	59	100	-
21	COMPRESIONE BUSTA PAGA	36	64	-	-	59	100	-
22	DISPONIBILITA UFF.PERSONALE	22	75	2	2	59	97	3
23	GESTIONE RETRIBUZIONE IN CASO DI MALATTIA	37	59	3	-	59	97	3
24	ATTIVITA' FORMATIVA SA8000	41	40	14	5	59	81	19
		39,35%	44,22%	11,42%	5,01%	1357	1921,35593	378

As a result there are no special circumstances of dissatisfaction such as to require corrective action, no disciplinary practices and discrimination episodes has occurred, even if, as in all businesses, sporadically you hear of little conflicts.

However, the problems that emerged from the questionnaires were related to:

1 . Company's attitude against the Collective Bargaining

During the meetings held with the workers, it was explained that the attitude of DMA towards the Collective Bargaining, had been judged negative because in the last two years



Written by: RAQ

Verified by: UR

Approved by da: AD

the workers and the employees did not joined in the strikes called by labor trade unions and were not held enough meetings with the RLSA8000 and the RDSA8000 .

On the occasion of these meetings has been clarified and shared with all the present people that regarding this issue the non-adherence to the strikes had been always a purely subjective decision, since there were no adverse indications or impediments by the Company. The occasion was pleasing to underline the company's commitment, that is to say the Managing Direction intent, in implementing a policy based on ethics - social and environmental as well as qualitative principles, as evidenced by the INTEGRATED QMS that has been implemented. About the meetings with the RDSA8000 RLSA8000 and workers, it monthly meetings have been planned, to be held during agreed hours and days. However the RDSA8000 is always availability for any question. The meeting date will be pre-announced from time to time to the supervisor of the area/the department , which in turn will inform his staff .

2 . Organization of the workplace


The organization of the workplace, understood as the organization of activities to be carried out has been judged negatively by the absence of supervisor and maintenance in all shifts, and malfunction of the automatic systems (FANUC) .

Based on the findings, in order to improve the organization of work, it has been reported that have already been taken corrective actions. There is an ongoing reorganization in terms of personnel and maintenance management, with the use of new figures whose collaboration within the company aims to improve the yield of plants (including FANUC) and therefore the quality of work played by the operators

3 . Climate excessively hot, especially in summer

The climate is perceived as excessively hot refers to the press department, which for obvious technological reasons must have a temperature that is constant for the final quality of the product.

At the next scheduled warm period, an internal monitoring will be performed on the temperature reached, and it will be communicated to workers.

	SOCIAL ACCOUNTABILITY SA 8000 ANNUAL REVIEW YEAR 2013	March 2014
		Pag. 4 di 9
Written by: RAQ	Verified by: UR	Approved by da: AD

Considering the final results "climate survey" is an important tool to ensure a continuous improvement of relation between the Management and the operators.

Deviations and corrective actions

During the unannounced surveillance audit for SA800 of 02/21/2014 there were some comments relevant to :

- **Communication to stakeholders:** the communication was considered incomplete regarding the last Annual Management System Review, which also includes the analysis on the security, on the labor and human resources, held on 20.02.2014 , just the day before the SA8000 audit .
The remark was met and promptly we have sent in the March, by means of a notification email about the opportunity to consult on the website the company annual review regarding business performance against the requirements of the SA8000 standard. The publication, unlike in past years, will be done in two languages, allowing a better understanding of the document by all our stakeholders.
- **Warm microclimate in the press department:** from interviews conducted during the audit revealed the critical issues related to the microclimate in the press area, judged too hot during the summer. This issues had already been reported by workers on the occasion of the climate survey, the internal questionnaire administered to staff in May 2013, and object of discussion during the meetings between the Management Representative for the SA8000 and the representative of the workers for the SA8000 and department managers . At the next scheduled period of hot , internal monitoring will be performed on the temperature reached , and will be communicated to employees.
- **Switchboards:** there were found open many of the doors of the electrical panels of press machines. The staff and service were alerted and was planned by the end of the month of March 2014 a dedicated training, aimed at operators of production about the risks from electricity. The door leading into the ward where they are confined to the electrical panels will be put under lock and only trained and responsible for that area will be given a copy of the key.
- **Staff Management:** (new hires, layoffs causes, types of contracts outstanding) will be better examined at the next audit, not being the human resources manager on the audit (not announced) date.

Activities towards the civil society and to the workers

Pastifici e Molini



As is now customary, the traditional exchange of Christmas greetings took place in the tend-structure and despite the achievement of important business goals, taking into account the period and the general difficult socio-economic contest, unlike other years, the President decided to reduce the festivities with a toast and donate the savings to local charities, to support local families in financial difficulties. Moreover the attention of DMA keeps on donating activities by adhering to the campaigns such as AIL with the purchase of Poinsettias and Easter eggs.

SA800 requirements Analysis

Requirement 1 - child labour

We do not employ child labor in the production cycle and in the event that we aware of suppliers who use it, we will require them to activate a series of improvement measures in order to eliminate this non-conformity.

The younger worker is 23 years old the oldest 62 years old. The age control is carried out by a copy of the identity document required upon recruitment.

Requirement 2 - Forced and Compulsory labour

We guarantee to exclude any form of work performance that is not voluntary. For this reason, during the selection of the personnel, the applicant is informed on the tasks, the type of contract, the remuneration and also about any difficulties concerning the job.

There are no security guards or audio-visual systems for workers' control.

Although overtime is voluntary and refusal does not cause any impact

Requirement 3 - Health and Safety


We maintain and ensure the best conditions of safety and health for workers.

For this reason, the company implements the regulations in force in the field of safety and hygiene and verifies their respect, by outsourced continuous internal audits. This same engaged society has prepared the document for the risk assessment as required by the Uniform 81/2008 and it is responsible to properly train employees and operators, for a total of about 500 hours per year.

The latest update of the DVR (risk assessment analysis) is dated 03/06/2013.

It was also evaluated the risk from work-related stress, whose DVR is unchanged from the previous year.

The first aids team consists of 32 elements, the one for Fire 25.

	SOCIAL ACCOUNTABILITY SA 8000 ANNUAL REVIEW YEAR 2013	March 2014
		Pag. 6 di 9
Written by: RAQ	Verified by: UR	Approved by da: AD

Regularly medical visits are arranged and performed by a medical specialist as required by law; fire tests are carried out at least twice per year. The functional of fire extinguisher hydrants is tested every 6 months.

In 2013 there were no injuries, and the intended target was reached.

<i>Injuries 2013</i>	<i>Target 2013</i>	<i>Results 2013</i>
Injuries N°	0	0

Finally, the low number and the limited severity of injury and the absence of occupational diseases is closely linked to the activities of prevention and awareness-raising, organization of training courses and the purchase and distribution of personal protective devices to workers.

Training	Total hours 2013	Addressed to
Security	499	Operators and employees
Environmental	72	Operators and employees
Quality/Hygiene	191	Operators and employees
Etical	102	Operators and employees
Managment	252	Mangers

Compared to 2012, the hours of training per employee per capita have been increased, as shown below:

Indicatori Formazione	Target 2013	Result 2013	Target 2012	Result 2012
Training Hours N° / worker	≥ 3	7 h	≥ 2	5 h



**SOCIAL ACCOUNTABILITY
SA 8000 ANNUAL REVIEW
YEAR 2013**

March 2014

Pag. 7 di 9

Written by: RAQ

Verified by: UR

Approved by da: AD

Requirement 4 – Freedom of Association and Right to Collective Bargaining

The DMA respects the right to freedom of association and collective bargaining. Currently there are enrolled in the 4 unions (CGIL, CISL, UIL, Conflavoratori) the 21 % of employees. For communication has been specially prepared a notice-board, and for the conduct of regular meetings of workers an appropriate classroom has been designed.

The attention to dialogue with the workers has fostered a mentality geared to solving problems through the involvement of the parties, resulting in the absence of litigation.

In 2013, there were hours of strike

Indicators	Target 2013	Result 2013
Strike hours	≤ 5	0
layoff n°	0	1
Absence/department	See Labor agreement II level	80% of employment have achieved the target

Requirement 5 - Discrimination

We guarantee equality to all employees. Women make up about 7% of the total 150 employees. The selections, however, are aimed at people of both sexes and interviews are made not on the basis of trade union affiliation, religion, sex, sexual orientation, origin, Healthy conditions.

In the company there are also N°. 8 employees belonging to protected categories (7 handicapped and 1orphan). Formation and career advancement are granted to all workers in relation to the tasks performed.

In 2013 was organized an English language course, basic level, for employees belonging to different functional areas (reception, administration, secretarial)

Requirement 6 - Disciplinary Practice

We do not endorse nor undertake corporal punishment. Each worker was given a copy of the collective agreement and a copy of the corporate provisions. In 2013 there were 8

Pastifici e Molini



objections of which 7 with written amends, 1 with verbal amend followed by disciplinary action consisting of an hour of fine.

Requirement 7 – Working Hours

We support suitable working timetable. The operators work in 3 shifts and have the right to regular weekly rest and recovery.

Requirement 8 – Remuneration

We guarantee the right to a decent wage and equal pay between men and women for equal work performed, with the minimum wage applicable under the national Collective Agreement for the Food Industry, renewed on 27.02.2012 which expires on 30.09.2015. The last adjustment table dates was executed last 01.04.2013.

Requirement 8 – Management System

Policy and Management Review

On an annual basis on the occasion of the Review Board, the Management Representative for SA 8000, in conjunction with the Quality Assurance Manager and with the SA800 Deputy of Workers, prepares a detailed report about the company's performance over the SA8000 standard, signed and approved by DMA Managing Director.

Relationship with stakeholders and Communication

The Anglo-Saxon term “stakeholders” refers to all those actors who bring interests to DMA, affecting our behavior or being themselves affected by our company.

So, we define Stakeholders our employees, customers, suppliers, competitors but also, the community, the public administration and the environment.


We consider our relationship with our stakeholders critical to the creation of value. With regard to the forms we adopt for communicating all our principles, including the ethical ones, our management system utilizes:

for communication with external stakeholders:

- Internet website: www.pastabaronia.it;
- Providing dissemination and advisory documentation;
- email service.

For internal communications to our staff

- email service;
- n. 4 notice- boards;
- 1 suggestion and complaint box located in the locker room of the workers;
- meetings.

	SOCIAL ACCOUNTABILITY SA 8000 ANNUAL REVIEW YEAR 2013	March 2014
		Pag. 9 di 9
Written by: RAQ	Verified by: UR	Approved by da: AD

Supplier Involvement

All our suppliers are actively involved in our project. We send them a self-assessment questionnaire for evaluating their respect to the SA8000 certification.

Currently, in comparison with the 2012, there is only a supplier that has not been qualified, but for reasons that are beyond ethical's.

Plans for the year 2014

For the year 2014 we aim to keep complying with the requirements prescribed by the SA8000 to ensure the continuous improvement. We also intend to disseminate our Policy principles towards our suppliers, urging them to a commitment that also provides for the acceptance of inspections by DMA, to ensure that they really comply with our own policy.

Thank you for your attention in reading this document. Our Quality Assurance Manger, Dr. Giuditta Gambarota, responsible for the Quality Integrated System, is available for any clarification or for any comments.

Flumeri, 3 March 2014

**Il Rappresentante della Direzione
per la Responsabilità Sociale
Giuditta Gambarota**



De Matteis
Sede Legale: Via Amoretta Parco S. Nicola 6/E

Pastifici e Molini