

**DATE:** 06/05/2020**SUBJECT:** Company's balance sheet**PARTICIPANTS**

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**1: PURPOSE**

In this social report CERESTER SRL intends to entrust the task of illustrating the current “state” of affairs regarding the social aspects of its company management. The document, drawn up in compliance with the principles provided for by the reference standard SA8000 in force, therefore represents a picture of the current situation of CERESTER SRL with regard to compliance with the requirements of the reference standard but at the same time it includes an analysis of the data relating to the management of the period 2019 and the objectives that the company has set itself.

In particular, the social report is entrusted with the task of testifying how much CERESTER S.r.l. is capable of implementing strategies and projects consistent with its Policy and its values, how much it has been able to build valuable relationships with all its stakeholders in a mutual exchange relationship with the economic-social contexts of reference.

The attention that CERESTER S.r.l. places in the management of its ethical performance is also testified by its Code of Ethics, which was initially approved by the Company Management.

The code is the natural evolution of the process of strengthening CERESTER S.r.l. from the point of view of social responsibility, and it is a document that identifies and collects the ethical principles and values of CERESTER S.r.l. that must inspire, regardless of the provisions of the law, the conduct and behaviour of those who operate both inside and outside the company organization. These rules must be complied with, without exception, by all the addressees of the document: managers, employees, collaborators and consultants, directors and all those who - directly or indirectly, permanently or temporarily - establish relationships and collaborative partnerships with the company for any reason or operate in its interest. The task of supervising the observance and updating of the Code, of disseminating the ethical principles and values of the company, of proposing possible improvements to the Code's provisions and of clarifying any doubts of interpretation is entrusted to the Management. In addition, the establishment of the SPT Social Performance Team in charge of assessing and monitoring compliance with the standard through periodic (annual) audits with the Management will allow to respond promptly and immediately to any social ethical requirements.

The appointment of the SPT coincides with the date of issue of the organisation chart.

The implementation of the Code requires all internal and external stakeholders to be aware of it, so that they can, on the one hand, share the principles of the Code and standardise their behaviour, and, on the other hand, allow their reports to sanction different behaviour. For this reason, we have set up an external communication programme and specific training programmes for new recruits and for all employees and collaborators according to their respective roles and responsibilities.

The main objective will be to guarantee, through Social Responsibility certification, a socially responsible service to its workers and other stakeholders.

By developing a Management System SA8000 CERESTER S.r.l. aims, in particular, at

- A correct management of human resources
- Demonstrating respect for social and ethical principles
- Improved relations with workers and stakeholders
- Trust and reliability in the relationship with customers
- Greater control over the supply chain
- Comply with legal requirements through the adoption of appropriate internal procedures
- An improvement of the company's image and credibility
- Distinction from the competition

A Management System based on Social Responsibility (**SGRS**) gives added value to the company that supports it because it makes management more efficient, improves its image, and gives it more credibility.

We summarize below, some of the benefits that CERESTER S.r.l. aims to obtain following the certification of its **SGRS**:

- Increased credibility and increased market share
- Best stakeholder relationship
- Improved relations inside and outside the company itself
- Correct human resources management
- Increased customer confidence
- Transparency of the company's activities
- Improved supplier chain management
- Demonstration of respect for social and ethical principles
- Transparency of the company's activities with an increase in internal and external visibility of its ethical and social principles;
- Satisfaction with the requirements of the principals;
- Increased customer satisfaction

The SA8000 Certification tool has generated an important impact on the level of employee collaboration, strengthening the spirit of belonging to the company and the sense of duty.

All stakeholders can report, in writing and anonymously, any violation or suspected violation to the SA8000 Management Representative by mail or e-mail <administration2@cerester.com> or through the company website <https://www.it.cerester.com/> or directly to the Certification Body. It is the responsibility of the SA8000 Management Representative, assisted by the SPT, to analyse the report, possibly listening to the author and the person responsible for the alleged violation and involving, if appropriate, other units competent in the matter.

At the same time, the SA8000 Balance Sheet is also the tool to periodically verify the effectiveness of the implemented system, assess its adequacy and appropriateness.

The SA8000 Financial Statements are drawn up 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 reference.

## **2. THE ACTIVITIES OF CERESTER S.R.L.**

### **1. Who we are**

La CERESTER S.r.l. operates in the sector:

production and trade of wines of different origin, denomination and type.

### **2. Mission**

We want to be protagonists in the world market for the export of bulk and bottled Italian wines by committing ourselves to making wine a real way of being, applying all the knowledge in the wine field and using an experienced and competent staff so that it is always possible to give an added value to a product that is not only good, but a flag of Italian prestige in the world through responsible actions towards the environment and people.

To this end, we provide our services and manufacture our products in compliance with the highest quality, responsibility and efficiency, investing in the training of our staff and passionately promoting style and attention to detail in the execution of each job.

The objective for the future is to consolidate and expand our current market position, improving competitiveness in terms of time and costs without prejudice to quality and aiming for maximum customer satisfaction.

It is above all for this reason that we have decided to characterize ourselves also as an excellent operator with regard to its social role, and we have decided to adopt a documented management system, in compliance with the SA8000 in force, all with a view to continuous improvement and in the awareness that human assets are the real added value of the Company.

### **3. Company data**

Name:	CERESTER S.r.l.
Head Office:	Via Capocavallo 2 - 56028 San Miniato (PI)
Phone/Fax:	0571 465048

Vat number/Tax code: 01286860505

Pisa trade register n: 112825

#### 4. Corporate Purpose

La CERESTER. S.r.l. can offer services such as:

- *Bottling of own brand wine and marketing of bulk wine.*

### 3. SOCIAL RESPONSIBILITY POLICY

CERESTER S.r.l. has reported its commitment in the Policy document which is released to all interested parties and reviewed annually during the System Review to verify its adequacy and updating.

The Social Responsibility Policy has been provided to all employees of CERESTER S.r.l. and will be attached in the first pay slip of new recruits, any changes will be communicated to employees during the annual meeting on SA8000 or through the SPT. Dissemination to interested parties takes place through publication on the company website.

### 4. STAKEHOLDER IDENTIFICATION

Among the founding values of CERESTER S.r.l. there is credibility and transparency towards all stakeholders represented by:

#### INTERNAL STAKEHOLDER

- Employees
- Professional collaborators

#### EXTERNAL STAKEHOLDER

- Suppliers and subcontractors
- Clients (and private customers)
- Public institutions
- Certifying Bodies
- Banks
- Supervisory Bodies
- Chamber of Commerce
- Trade Unions

In relation to these, CERESTER S.r.l. undertakes to establish relationships of correctness and transparency through the disclosure and communication of any information concerning the respect of the principles of Social Responsibility and the company performance in relation to its ethical commitment.

The final objective is to make all stakeholders aware of interacting with a company whose attention to Social Responsibility is evident, certified by independent bodies and continuously evident also through the disclosure of this SA 8000 Social Report.

#### **5. STATE OF THE SOCIAL RESPONSIBILITY SYSTEM**

CERESTER S.r.l. has implemented a Social Responsibility system managed by a document system and a series of procedures that describe the various company processes, the responsibilities connected to them, the criteria used to ensure compliance with the reference standards.

The company has appointed the Management Representative for Social Responsibility (RGE) [Irene Bimbi], with the task of monitoring the progress of the system. The Workers' Representative (RSE) [Chiara Volterrani], with the task of acting as an intermediary between the workers and the company management, was re-elected by the workers during the meeting of 22.06.2018. The representatives were confirmed during the Management Review of 21.02.2020, and the Social Performance Team was confirmed.

The review of the System is carried out at least once a year by Management on the basis of periodic reports submitted by Management Representatives (customer satisfaction surveys, internal reports on the service provided and processes, minutes of internal and supplier audits, trends in control parameters).

The review includes the confirmation or documented review of:

- Ethics Policy
- Social Responsibility System Manuals;
- Inspections Plan
- Training plan
- Balance sheet SA8000

The objectives of the review of the systems are to verify the adequacy, the proper maintenance of the system, the correct application of the reference standard and the identification of opportunities for improvement.

## 6. COMMUNICATION

For CERESTER S.r.l. the Communication directed to all internal and external stakeholders is of great importance, as it is important to demonstrate transparently to all stakeholders the intentions and commitments of the Company in terms of responsibility and consequently to update them on the results achieved over the years.

CERESTER S.r.l. has defined a plan of involvement through the following actions :

- Staff training on social responsibility issues carried out to all staff and included in the training plan for newly hired staff;
- distribution of information material to all personnel;
- information action to all personnel regarding the employment contract and payroll.
- dissemination of company policy on social responsibility issues

The policy is communicated to internal resources through meetings and by insertion in payroll for newly hired employees, for external parties through publication on the company's website.

The NC reporting form was initially handed in at the first SPT meeting and will remain available to everyone at the refreshment room.

To date, there have never been any reports or complaints.

The suppliers have been informed of CERESTER S.r.l.'s intention to certify its Social Responsibility System and a document has been sent to them to raise awareness of the principles of Social Responsibility.

The disclosure contains a commitment by the supplier to:

- comply with the requirements of the SA8000 Standard,
- participate in monitoring and verification activities, should CERESTER S.r.l. so request,
- remedy any Social Responsibility problems that have emerged as a result of this monitoring and verification activity,
- inform about any business relationship with other suppliers and subcontractors.

The supplier was, therefore, invited to return the countersigned form for acceptance within 5 days from the date of sending. The binding documents received are checked and filed in a special insert kept at the Head Office.

In any case, an attempt will be made to establish a relationship of collaboration and involvement with the supplier, both by explaining the difference between the supplier's evaluation methods and the other certifications, and by explaining the scope of application of the SA8000 standard and its meaning, and by offering collaboration on aspects mainly related to the supplier's security system.



Customers have instead received information on the commitment of CERESTER S.r.l. in terms of social responsibility; the same informs them that the Company Policy, the possibility of making NC reports on one or more SA8000 principles and further information will be available on the website <https://www.it.cerester.com/>.

The table below summarizes the information distribution and communication channels of CERESTER S.r.l.:

- STAKEHOLDER INTERNI Communication channels:
  - Hand delivery
  - Payroll
  - Meetings
  - Information/training
  - E-mail
  - Website
  - Notice board posting
  - Financial Statement
- EXTERNAL STAKEHOLDER Communication channels:
  - Website
  - Financial Statement
  - Advertising
  - Support material
  - Written Communications
  - E-mail

These SA 8000 Financial Statements will be communicated to Stakeholders in the following manner:

- To employees: the full version of the document will be available in copy at the RGE office and workers will be informed of the possibility of viewing it;
- To other Stakeholders: the document may be viewed on the Company's website; in addition, the opportunity to create an information note to be attached to invoices, orders, and any other communication sent, informing them of the possibility of requesting a copy directly from CERESTER S.r.l. will be considered.

## THE REQUIREMENTS OF THE STANDARD

### **The enhancement of human resources**

The Policy of CERESTER S.r.l. towards the staff is based on the enhancement of the different professional and human experiences coming from inside and outside the company and offers everyone the same opportunities, without any discrimination, from the moment of selection.

#### Selection

The selection activity is oriented towards identifying the best profiles for the individual positions, through a process focused not only on technical skills but also on the aptitudes, skills and personal inclinations of the candidates, with particular attention to the contribution that young people can bring to the organization and the corporate culture. Recruitment always takes place with a regular employment contract, in full compliance with the law and the CCNL. At the moment CERESTER S.r.l.'s staff is made up of permanent fixed-term contract workers, both full time and part time, and the need is met by administered work.

All personnel are hired with regular contracts.

#### Training

Training is an essential component of the human resources development process.

In the management and development of human resources we guarantee equal dignity and equal professional opportunities to all employees, without any distinction of gender, race, faith or orientation.

Professional development and career advancement are established on the basis of meritocratic criteria and depend exclusively on the skills acquired and growth potential of each individual.

In 2019-2020 CERESTER S.r.l. invested resources in training with courses mainly concerning company safety, training on social issues and the CCNL.

In the first quarter of 2020, following the Covid-19 emergency, CERESTER S.r.l. promptly planned and implemented a training plan for the management of the emergency, adopting the provisions of the "*Shared protocol for the regulation of measures to combat and contain the spread of the Covid-19 virus in the workplace*" of 14.03.2020 and subsequent amendments and integrations, and carried out training activities involving all company personnel on the following issues: local sanitization and behaviour to contain the spread of the virus.

### **7.1 Child labour and organic composition of the Company**

CERESTER S.r.l. excludes the use of child and child labour. CERESTER S.r.l. makes sure, at the time of recruitment, that the staff meets this requirement through the official channels available e.g. identity document.

There are currently no employees under 18 years of age.

## 7.2 Forced labour

The work performed in the company is absolutely adherent to the provisions of the employment contract, no one is a victim of pressure or threats that force him to work in the company. CERESTER S.r.l. does not require any money at the time of hiring and does not retain identity documents.

### **DEPOSITS:**

The workers of CERESTER S.r.l. do not leave in deposit to the company neither money amounts nor personal documents in original.

### **DOCUMENTS DELIVERED TO EMPLOYEES:**

The personnel of CERESTER S.r.l., at the moment of recruitment, are informed about their rights and duties as workers and are handed over to the same:

- Copy of the Ethics Policy
- a copy of the letter of employment with a clear indication of all the regulatory and economic aspects of the employment contract
- a privacy policy pursuant to and for the purposes of art. 13 of EU Regulation no. 2016/679 on the protection of individuals with regard to the processing of personal data and on the free movement of such data and repealing Directive 95/46/EC
- an information brochure on safety issues (pursuant to Legislative Decree 81/08 and smi).

The newly hired employee is also informed that an updated copy of the National Collective Labor Contract of reference and subsequent updates of the salary tables is available at his place of work.

### **ADVANCES ON SALARY:**

Payments are made by bank transfer or cheque on the 20th of each month.

CERESTER S.r.l. does not grant loans or other forms of advance payments to its employees (only advances on severance pay).

### 7.3 Safety in the Workplace

CERESTER S.r.l. is committed to promoting safety and health at work, having as its objective the continuous improvement of its performance in terms of safety. CERESTER S.r.l., referring to the regulatory requirements in force at national level (D.L. 81/08 and smi) is committed to ensuring a working environment that allows workers to feel safe from possible dangerous situations, and that the place where they carry out their work reflects the hygienic and sanitary conditions of the relevant laws in force.

To this end, commitments include:

- compliance with national and EU legislation and regulations on health and safety at work and social and ethical policies;
- the preparation of a management system for social responsibility, control and improvement of direct activities that present a potential risk to ethical responsibility.

CERESTER S.r.l., also through the consulting company Main-Tech, is therefore committed to spreading and consolidating in all its workers, suppliers and customers, the culture of safety, developing risk awareness and promoting responsible behaviour by all employees and collaborators in order to preserve their health and safety, especially through preventive actions.

Personnel must be aware of and implement the company's provisions on social protection, in relation to the function performed and the level of responsibility assumed.

The Prevention and Protection Service identifies and evaluates the risk factors and the measures to be adopted for the safety and health of the work environment, for the development and control of prevention and protection systems and for the formulation and management of personnel information and training programmes.

The Service is coordinated with the Competent Doctor (Dr. Avantaggiato Giovanni), with the Workers' Representatives for Safety (Chiara Volterrani) and with the other company departments involved. All personnel are subject to regular health surveillance / suitability for the job in accordance with the regulations in force.

#### PREVENTION AND PROTECTION ACTIVITIES

- Monitoring of the risks present in the company reported in the Risk Assessment Document updated to Legislative Decree 81/08 and smi.
- Health surveillance of personnel exposed to specific risks, as required by the regulations and the company's health protocol.
- Training of workers on safety issues.

Currently, the Safety Management and the role of RSPP is carried out by the external consultant P.I. Cenci Gabriele.

#### ACCIDENTS

As far as the analysis of accidents is concerned, the company records and analyses all accidents and occupational diseases of its workers.

No employee of CERESTER S.r.l. has ever accused any illness resulting from the work tasks commonly performed. The accidents recorded were only 2 in 2016 and are to be considered modest as regards the physical consequences reported by the employees concerned.

The last accident recorded on 23.12.2016 involved an internal employee.

All workers were provided with the necessary personal protective equipment.

The RSPP ensures the availability of PPE and supervises its proper use by all workers.

#### 7.4 Freedom of association and the right to collective bargaining

CERESTER S.r.l. allows full freedom to its staff to meet in trade union associations and to delegate to its trade union representatives the management of collective bargaining, as defined by law and by trade union contracts.

#### UNIONISATION

In CERESTER S.r.l. there are no workers who have decided to avail themselves of the right to join a trade union association.

As of today there are no staff members of the trade union.

There are no trade union representatives.

Hours per strike

There were no days of strike during the period 2019-2020.

#### DISPUTES:

To date CERESTER S.r.l. has no litigation with its employees.

#### 7.5 Discrimination

Throughout their working life (from recruitment to termination), all employees of the company have equal rights and discrimination on the basis of race, rank, national origin, religion, sex and sexual orientation, political affiliation is not allowed.

Any cases of non-compliance with these principles must be communicated to the Workers' Representative for SA8000 in order to initiate, if necessary, the measures as defined by the CCNL and the related disciplinary measures.

Due to the type of work carried out, the operational staff is almost equally distributed, while the administrative staff is mainly female.

Currently there are foreign workers/workers of foreign nationality

#### 7.5 Disciplinary practices

CERESTER S.r.l. refuses the use of any disciplinary practice not allowed by law and the C.C.N.L. and for this reason it limits itself to apply the provisions of the reference Contract.

In the last three years CERESTER S.r.l. has not adopted any disciplinary measures against its employees, except for some verbal reminders of which no trace has even been left.

Verbal reprimands have almost always been adopted without any formality and referable to the power (more than to the disciplinary power) of guidance and coordination granted to the employer in carrying out common work activities.

#### 7.7 Working hours

CERESTER S.r.l. complies with the working hours prescribed by the legislation in force by the national collective agreement.

The working shift is unique and the standard working time is as follows:

8:30 - 12:30 and 14:30 - 18:30 for office workers and workers.

The standard weekly working time is set at 40 hours.

The normal working time during the working week is distributed in such a way that 2 days off (Saturday and Sunday) are granted in any case.

At present CERESTER S.r.l. is not engaged in job orders that require the need to schedule work at night.

CERESTER S.r.l. guarantees that no more than 8 working hours per day will be carried out under special conditions, without prejudice to the hypotheses - quite exceptional - that require the guarantee of continuity in the provision of the service.

Overtime work is requested, carried out and paid in accordance with current legislation and the National Collective Labour Agreement and is paid in addition to the normal salary

Overtime is occasional or exceptional, and may not exceed the company's overall maximum annual limit of 250 hours per employee.

No worker has exceeded the limit of 250 hours per year in the previous three years, which is the maximum limit per employee;

7.8 Remuneration

The basic criteria for remuneration, classification in the category and professional profile are laid down in the relevant national collective labour agreement

The remuneration of the staff is therefore able to guarantee the worker the satisfaction of basic needs.

applied are kept at the Administrative Office and are available to the staff. The contractual conditions are made known to all employees and a copy of the CCNL and the minimum tables

Pay slips certify that wages correspond to legal pay standards, and transfers or copies of payment orders show that workers are paid regularly.

Payments are made by bank transfers or cheques by the 15th of the following month.

Level changes are guaranteed and the resulting salary increases are paid as provided for in the national collective bargaining agreement.

At present CERESTER S.r.l. grants production premiums.

As regulated by the National Collective Labour Agreement of reference and is committed to distribute premiums "ad personam" on the basis of objective criteria based on results achieved, productivity, commitment and seniority.

7.9 SA8000 Management System and Supplier Control

CERESTER S.r.l. makes sure that the policy, functioning and results in relation to social responsibility are known by the personnel and the social partners concerned through the publication of such information on the company website [www.cerester.com](http://www.cerester.com) and/or by sending appropriate documentation to the interested parties.

The representatives of the SPT for SA8000 have been appointed in the persons of:

- Irene Bimbi, as management representative for SA8000 (RGE).
- Chiara Volterrani as workers' representative for SA8000 (RLSE)
- Chiara Volterrani, as production manager
- Gabriele Cenci RSPP
- Sara Taccetti sales manager
- Maria Rita Neglia Head of SGE

These figures have been expressly indicated in the company organisational chart.

Our conduct in relations with suppliers is based on principles of transparency, equality, loyalty and competition. For all services, the selection of suppliers will be based not only on verification of the possession of adequate requirements and resources, in relation to contractual conditions, but also on moral integrity and compliance with certain social standards of the supplier.

Our goal in purchasing management is to build relationships based on mutual satisfaction, based on transparent supply allocation procedures and compliance with all agreed contractual conditions, including payment terms.

We require a written commitment from all our suppliers, large or small, to comply with the ethical principles required by the relevant standard.

The action of CERESTER S.r.l. towards suppliers is expressed through:

- the involvement of an increasing number of suppliers in the respect of the SA8000 standard and their awareness of social responsibility issues in order to extend the application of these principles to the entire supply chain.
- A system of qualification and evaluation of suppliers by means of a formal declaration of adherence, by the suppliers themselves, to the principles of social responsibility;

Overview of suppliers situation

The main product categories of the suppliers CERESTER S.r.l. (mainly located in the territory) are:

Other wine companies

Installers

Professional service providers

Subcontractors

Banks

Insurance

At present, an initial analysis of the status of suppliers has not revealed any critical issues. The declaration of adherence to the principles outlined by SA 8000 was sent to suppliers. On the basis of the return information, an analysis of suppliers' social risks is carried out in accordance with our PGE 09 procedure. Following a more in-depth risk analysis, it is assessed whether it would be appropriate to carry out checks at certain suppliers to assess compliance with the main requirements of the SA8000

## 7. TRAINING

The Management assesses the training needs of the personnel also on the basis of the results of the internal V.I., the skills possessed and the needs dictated by market strategies.

During 2019, training for personnel focused mainly on Safety and Social Responsibility issues; for 2020, the objective is to examine specific issues related to social responsibility and the health and safety of workers.



8. NON-COMPLIANCE AND WORKER/STAKEHOLDER SATISFACTION

Personnel may submit reports anonymously, relating to the application of the SA8000 standard by filling in the appropriate form available at headquarters. Workers have also been informed of the possibility of contacting the SAI Accreditation Body directly to report any problems relating to one or more SA8000 principles that have been disregarded.

Employees are entitled to receive a reply to their report within 30 days of submission.

To date, no reports have been received from staff.