



ACM S.R.L. and NEXT srl SOCIAL POLICY

In line with its ongoing sustainability program, ACM s.r.l. and NEXT srl have established and are committed to comply with the following set of Social Requirements.

1 Forced, bonded, indentured and prison labor

1a All work shall be conducted on a voluntary basis, and not under threat of any penalty or sanctions.

1b The use of forced or compulsory labor in all its forms, including prison labor when not in accordance with ILO Convention 29, is prohibited.

1c Certified Organizations shall not require workers to make deposits/financial guarantees and shall not retain identity documents (e.g.: passports, identity cards, etc.), nor withhold wages outside a legal contractual agreement.

1d Bonded labor is prohibited. Certified Organizations shall not use any form of bonded labor nor permit or encourage workers to incur debt through recruitment fees, fines, or other means.

1e Indentured labor is prohibited. Certified Organizations shall respect the right of workers to terminate their employment after reasonable notice. Certified Organizations shall respect the right of workers to leave the workplace after their shift.

2 Child Labor

2a Certified Organizations shall comply with:

- i. the national minimum age for employment;
- ii. or the age of completion of compulsory education;
- iii. or any otherwise specified exceptions;
- iv. and shall not employ any person under the age of 15, whichever of

these is higher. If, however, local minimum age law is set at 14 years of age in accordance with developing country exceptions under ILO Convention 138, this lower age may apply.



2b Certified Organizations shall not recruit child labor nor exploit children in any way. If children are found to be working directly or indirectly for the Certified Organizations, the latter shall seek a sensitive and satisfactory solution that puts the best interests of the child first.

2c Certified Organizations shall not employ young workers under 18 years of age at night, or in conditions which compromise their health, their safety or their moral integrity, and/or which harm their physical, mental, spiritual, moral or social development.

3 Freedom of association and effective recognition of the right to collective bargaining

3a Workers have the right to join or form trade unions or workers' associations of their own choosing and to bargain collectively, without prior authorization from Certified Organizations' management. Certified Organizations shall not interfere with, obstruct or prevent such legitimate activities. Workers shall also have the right to join workers' associations of their own choosing. Certified Organizations shall not interfere with, obstruct or prevent such legitimate activities nor create an atmosphere that is hostile to the formation of unions and workers' association.

3b Where the right to freedom of association and collective bargaining is restricted or prohibited under law, Certified Organizations shall not hinder alternative forms of independent and free workers representation and negotiation, in accordance with international labor standards.

3c Certified Organizations shall not discriminate against or otherwise penalize worker representatives or trade union members because of their membership in or affiliation with a trade union, or their legitimate trade union activity, in accordance with international labor standards.

3d Certified Organizations shall give worker representatives access to the workplace in order to carry out their representative functions, in accordance with international labor standards.

4 Discrimination, harassment and abuse

4a Certified Organizations shall respect equal opportunities in terms of recruitment, compensation, access to training, promotion, termination or retirement.



4b Certified Organizations shall not engage in, support or tolerate discrimination in employment including recruitment, hiring, training, working conditions, job assignments, pay, benefits, promotions, discipline, termination or retirement on the basis of gender, age, religion, marital status, race, caste, social background, diseases, disability, pregnancy, ethnic and national origin, nationality, membership in worker organizations including unions, political affiliation, sexual orientation, or any other personal characteristics.

4c Certified Organizations shall treat all workers with respect and dignity.

4d Certified Organizations shall base all terms and conditions of employment on an individual's ability to do the job, not on the basis of personal characteristics or beliefs.

4e Certified Organizations shall not engage in or tolerate bullying, harassment or abuse of any kind. This shall include the prohibition of physical and psychological discipline.

4f Certified Organizations shall establish written disciplinary procedures and shall explain them in clear and understandable terms to their workers. All disciplinary actions shall be recorded.

5 Health and safety

Provisions under Health and Safety shall be further defined to cater for specific conditions and related hazards pertaining to different industries, in accordance with the relevant applicable Health & Safety principles:

5a Certified Organizations shall provide safe and clean conditions in all work and residential facilities and shall establish and follow a clear set of procedures regulating occupational health and safety. Emergency procedures shall be clearly displayed and understandable to all workers, and hazards shall be clearly marked.

5b Certified Organizations shall take adequate steps to prevent accidents and injury to health arising out of, associated with, or occurring in the course of work, by minimizing, so far as is reasonably practicable, the causes of hazards inherent in the working environment. Appropriate and effective personal protective equipment shall be provided as needed.

5c Certified Organizations shall provide access to adequate medical assistance and facilities. This shall include appropriate first aid (trained staff, adequate equipment and supplies) provided on-site. Management shall have procedures in place to give workers access to medical assistance in case of emergency.



Management shall respect national law on medical assistance and first aid. In case of a work-related accident the employer should be responsible to ensure that the worker gets medical assistance; this may mean insurance to cover potential costs.

5d Certified Organizations shall provide all workers with access to clean toilet facilities and to drinkable water and, if applicable, sanitary facilities for food preparation and storage.

5e Certified Organizations shall ensure that residential facilities for workers, where provided, are clean and safe.

5f Certified Organizations shall assign the responsibility for health and safety to a senior management representative.

5g Certified Organizations shall provide regular and recorded health and safety training to workers and management, and such training shall be repeated for all new or reassigned workers and management. Relevant training will depend on the operations and level of risk to health and safety.

5h Certified Organizations shall provide adequate safeguards against fire, and shall ensure the strength, stability and safety of buildings and equipment, including residential facilities where provided.

5i Certified Organizations shall undertake sufficient training of workers and management in waste management, handling and disposal of chemicals and other dangerous materials.

6 Wages, benefits and terms of employment

6a Work performed shall be on the basis of a recognized employment relationship established in compliance with national legislation and practice and international labor standards; whichever affords the greater protection.

6b Labor-only contracting, sub-contracting or home-working arrangements, apprenticeship schemes where there is no real intent to impart skills or provide regular employment, excessive use of fixed-term contracts of employment, or any comparable arrangements shall not be used to avoid obligations to workers under labor or social security laws and regulations arising from the regular employment relationship

6c Certified Organizations shall compensate their workers by providing wages, overtime pay, benefits and paid leave which respectively meet or exceed legal minimum and/or industry



benchmark standards and/or collective agreements, whichever is higher. Wages and compensation for regular working hours shall meet basic needs and provide some discretionary income for workers and their families.

6d Certified Organizations shall provide all workers with written and understandable information about their employment conditions, including wages, before they enter into employment; and about details of their wages for the pay period concerned each time that they are paid.

6e Certified Organizations shall not make any deductions from wages that are unauthorized or not provided for by national law. Certified Organizations shall not make any deduction from wages as a disciplinary measure.

6f The Certified Organizations shall provide all legally required benefits, including paid leave, to all workers.

6g Certified Organizations shall always compensate all workers for all overtime at a premium rate, as required by law and, where applicable, by contractual agreement.

7 Working Hours

7a Certified Organizations shall set working hours that comply with national laws or benchmark industry standards or relevant international standards, whichever affords greater protection to ensure the health, safety and welfare of workers.

7b Certified Organizations shall respect that the standard allowable working hours in a week are 48, excluding overtime. Workers shall not on a regular basis be required to work in excess of 48 hours per week.

7c Overtime shall be voluntary, shall not exceed 12 hours per week and shall not be requested on a regular basis.

7d Certified Organizations shall respect all workers right to breaks during work shifts and to at least one free day following six consecutive days worked, as well as public and annual holidays.

PAOLA CORNA is ACM s.r.l.'s and NEXT srl Social Policy Compliance Officer and can be reached at c.paola@acmdettaglidimoda.it.

All ACM s.r.l.'s and NEXT srl's people are informed about the above.



Data: 02/02/2024

Nome e funzione del manager firmatario: PAOLA CORNA, HR MANAGER

Firma

ACM s.r.l.
24064 GRUMELLO DEL MONTE (BG) ITALY
Via del Videtti n. 52/62
C.F. e P. IVA 00982980161
Tel. 035/4492711 - Fax 035/831634

NEXT s.r.l.
Via Del Videtti, 52
24064 GRUMELLO DEL MONTE (BG)
Cod. Fis. e P. IVA 01093180162