

CATTINI & FIGLIO S.r.l.

Communication on Progress
for year 2014
to the UN Global Compact

Cattini & Figlio's COP
for year 2014
to the UN Global Compact

- SUMMARY:
- Continuous commitment to the UNGC and its principles.
- 2014 Status.
- 2015 Targets.

Cattini & Figlio's COP for year 2014 to the UN Global Compact

CONTINUOUS COMMITMENT TO THE UNGC AND ITS PRINCIPLES:

- Cattini & Figlio confirms its uninterrupted commitment to the Global Compact's 10 universal principles as the major pillar upon which all Company's actions are to be based.
- The challenging market conditions encountered during FY 2014 have been mastered effectively and the Company is ready to new, exciting, developments which will take place from FY 2016 as the result of major orders received by worldwide equipment manufacturers.
- We believe that being voluntary member of the UNGC has contributed to Customer's decision to award these important contracts to Cattini & Figlio and we are therefore absolutely pleased and convinced of the importance of being part of this important alliance for a better business world and encourage all Companies' Representatives reading this report to enrol in the UNGC soon.

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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.

Cattini & Figlio's COP for year 2014 to the UN Global Compact

- ***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	2014
Total employees	247
Associated to unions	44

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	49
from 35 to 50 years	141
from 50 to 60 years	57
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 2014 our headquarters facility has been successfully audited according to the ISO 14001 standard and so our environmental certification is fully maintained.
- According to an update of the necessary construction works, we reset the planned certification of our second largest facility to be within mid 2016 in accordance with the expiry of our Headquarter's original certification. This way, in 2016 we'll have a new corporate environmental certification.
- In FY 2014 we decommissioned about 20 old machines in accordance with the 2016 environmental target.

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- ***ENVIRONMENT STATUS (2):***
- Environmental targets within FY 2016 are confirmed as follows:
- Invest in more energy efficient equipment (if used, not older than 10 years) and decommission at least 20% of old machines within FY 2016.
- Reduce the average of CO2 emitted by company vehicles by 20% both by means of reducing unnecessary mileage and by investing in greener cars and trucks.
- Reduce the emissions in air by 20% replacing mineral lubricant with synthetic lubricant with higher stability under heavy duty conditions.

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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.

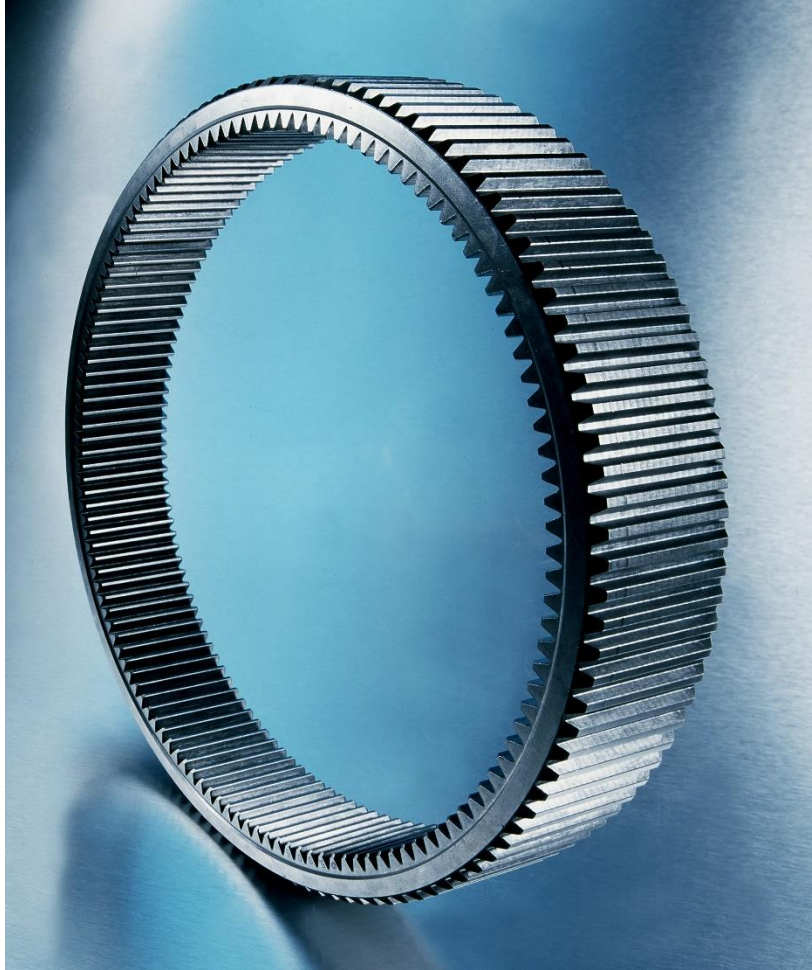
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- ***STATUS 2014: WHAT WE HAVE DONE***
 1. Implemented in full the management model according to the legislation act 231 and have it verified by multiple third party audits during the year.
 2. Prepared the extension of the environmental certification of the second facility for which target has been reset to mid 2016.
 3. Encouraged the major suppliers to develop a training program about the UNGC's 10 principles.
 4. Bridged the two oldest buildings in our HQ facility to improve working conditions as well as health and safety of our workforce.

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- ***TARGETS FOR 2015:***

1. Continue to operate on the environmental targets for FY 2016 published in COP 2013;
2. Continue to spread the UNGC principles throughout our supply chain;
3. Increase Company's agility and responsiveness by reducing the average leadtime in the amount of one week within end of FY 2015.



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END OF COP FOR YEAR 2014

Thank you for your attention!