


Summary

1. PURPOSE AND SCOPE	2
2. REFERENCES	2
3. REPORTING BY EMPLOYEES	2
4. SUBMISSION OF REPORTS/NON-CONFORMITIES BY INTERESTED PARTIES.....	4
5. MANAGEMENT OF NON-COMPLIANCE REPORTS	5
6. CORRECTIVE ACTIONS FLOW.....	6
7. CORRECTIVE ACTION MANAGEMENT	7
8. MANAGEMENT OF PREVENTIVE ACTIONS.....	8

	Procedure P03 ISSUE MANAGEMENT AND CORRECTIVE ACTIONS	Rev. 2 Pag. 2 di 8
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1. PURPOSE AND SCOPE

The procedure defines the procedures for the communication of problems, non-conformities and suggestions by LORENZI personnel, the management of reports and non-conformities to the SA8000 standard that may come from inside and outside LORENZI and for the management and treatment of appropriate corrective and preventive actions.

2. An individual or group interested in,

SA8000:2014	<i>Procedure P03</i>
Rev. 2	SA8000 Workers' Representative
Drafting and control : Stefano Brusamolin (GEODE) – Giorgia Nichele (Legal Department – Anna Bertoldo (RL8000) Date: 14 March 2022	<i>Procedure P03 PROBLEM MANAGEMENT AND CORRECTIVE ACTIONS Corrective actions are taken to prevent the recurrence of the non-compliance.</i>
Rev. 2	Problems-Non-Conformity Form
M11	Corrective-Preventive Actions Register
M40	Rapporto infortunio/incidente/comportamento pericoloso
P07	Procedura Gestione Infortuni, incidenti e comportamenti pericolosi
Non-compliance	<i>Failure to meet a requirement</i>
Parti interessate	Individual or group interested in, or influenced by, the social performances and/or activities of the organization Note Examples of interested parties: customers, suppliers, neighborhoods, communities, associations, local and public authorities.

3. REPORTING BY EMPLOYEES

All LORENZI employees can report a situation that they consider problematic or does not comply with the requirements of SA8000 and/or the law (Health and Safety at Work, Employment Relationship/Employment Contract, Work Environment) or on the Policy in LORENZI itself.


In cases of reporting problems/Non-Conformities relating to Health and Safety at Work, reference will be made to procedure P07 Management of Accidents, Accidents and Dangerous Behaviour and to Form M40 Accident and Accident Report.

These situations can be reported by LORENZI employees *and will be managed* in the following ways:

a. Through the SA8000 Workers' Representative

Employees can contact the SA8000 Workers' Representative (*RL8000 in the organizational chart*) *directly during normal working hours*.

The problem can be presented to the SA8000 Workers' Representative by the employee through an interview and verbally.

	Procedure P03 ISSUE MANAGEMENT AND CORRECTIVE ACTIONS	Rev. 2 Pag. 3 di 8
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The SA8000 Workers' Representative will have the task of collecting and recording the report/problem and the elements of the interview on the M14 Problems-Non-conformities form. The employee who reports the issue/non-compliance has the right to remain anonymous. In these cases, the SA8000 Workers' Representative will not have to formalize his/her name on the M14 Problems-Non-conformities form and reveal/report the name in subsequent interviews with other *company personnel* or DGRs.

b. Through the SA8000 Problematic/Non-Conformance Box

At the LORENZI headquarters, in the company bulletin board area, there is the SA8000 Problem/Non-Conformity Box.

In the Box it is possible to insert an M14 Problems-Non-conformities form filled in by hand, also anonymously, or another document, in free form (handwritten or on a computer) that describes the report.

The employee who reports the issue/non-compliance has the right to remain anonymous.

The SA8000 Workers' Representative verifies the content and presence of documents and/or form M14 of the SA8000 Problem-Non-Conformity Box on a weekly basis.

c. Through the SGS Certification Body

Employees can contact the SGS Certification Body directly by sending an e-mail where they report and describe the problem/non-compliance, to the address sa8000@sgs.com.


The employee who reports the problem/non-compliance has the right to remain anonymous and therefore can use either a company address or a personal one.

d. Through the SAI (Social Accountability Internationale)

Employees can contact the AEOI directly by sending e-mails *to the following addresses*:

- saas@saasaccreditation.org
- Thenfo@sa-intl.org

The employee who reports the problem/non-compliance has the right to remain anonymous and therefore can use either a company address or a personal one.

	Procedure P03 ISSUE MANAGEMENT AND CORRECTIVE ACTIONS	Rev. 2 Pag. 4 di 8
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4. SUBMISSION OF REPORTS/NON-CONFORMITIES BY INTERESTED PARTIES

Any interested party of LORENZI may report situations that they consider problematic or do not comply with the requirements of SA8000 and/or, of the law (Health and Safety at Work, Employment Relationship-Employment Contract, Work Environment), on LORENZI's Policy or on its behavior.

These situations can be reported *and managed* in the following ways:

a. Through the SA8000 Workers' Representative

Applicants from LORENZI interested parties may apply directly during normal working hours to the SA8000 Workers' Representative.

Reports can be forwarded and communicated through:

- **Traditional mail to the address of Via Oslo 2 – Vigonza 35010 PADUA to the attention of the Workers' Representative SA8000 – Anna Bertoldo;**
- **Phone +39 049 8936665 asking for Anna Bertoldo;**
- **E-mail to sa8000@lorenzinet.com to the attention of the Workers' Representative SA8000 – Anna Bertoldo;**
- **Report form can be downloaded at <https://www.lorenzinet.com/it/sa8000/> ;**

The SA8000 Workers' Representative has the task of collecting and recording the report/problem on the M14 Problems-Non-conformities form.

Applicants who report the non-compliance issue have the right to remain anonymous.

In these cases, the SA8000 Workers' Representative will not have to formalize his/her name on the M14 Problems-Non-Compliance form and disclose in subsequent interviews with other personnel or to DGR.

b. Through the SGS Certification Body

Interested party applicants can contact the SGS Certification Body directly by sending an e-mail reporting and describing the non-compliance issue at sa8000@sgs.com


Applicants who report the non-compliance problem have the right to remain anonymous and are therefore authorized by LORENZI to use non-identifiable e-mail addresses.

c. Through the SAI (Social Accountability Internationale)

Interested party applicants can apply directly to the IAS by sending e-mails *to the following contact details*:

- saas@saasaccreditation.org
- Thenfo@sa-intl.org

Applicants who report the non-compliance problem have the right to remain anonymous and are therefore authorized by LORENZI to use non-identifiable e-mail addresses.

	Procedure P03 ISSUE MANAGEMENT AND CORRECTIVE ACTIONS	Rev. 2 Pag. 5 di 8
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5. MANAGEMENT OF NON-COMPLIANCE REPORTS

All reports and non-conformities communicated, received and formalized by the SA8000 Workers' Manager, both by LORENZI employees (see point 3 of this procedure) and by LORENZI interested parties (see point 4 of this procedure) are brought to the attention of DGR. *RL8000 will then inform the members of the Social Performance Team (SPT) who will analyze and evaluate the report/non-conformity.*

Depending on the case, the SPT will inform and/or request the cooperation of:

- a. Health and Safety Committee;*
- b. Other Managers of LORENZI;*
- c. Professionals/consultants outside LORENZI*

In cases of reporting problems/Non-Conformities relating to Health and Safety at Work, reference will be made to procedure P07 Management of Accidents, Accidents and Dangerous Behaviour and to Form M40 Accident and Accident Report.

The analysis of the cause is also carried out to verify whether there are systematic or repetitive causes and, in these cases, corrective action is initiated (see point 6 of this procedure).

The SPT, based on the assessment and analysis, will then decide whether the reports/non-conformities are relevant or irrelevant.

Those defined as irrelevant will not be followed up and are considered closed.

The SPT will inform DGR accordingly of the relevant reports/non-conformities.

SPT, and as the case may be with DGR, will then decide on the solution to resolve the report/non-compliance.

These phases of analysis, decision-making and implementation are recorded in the M14 Problem-Non-Conformity Module.

5.1 Notification of actions/resolution of reports/non-conformities

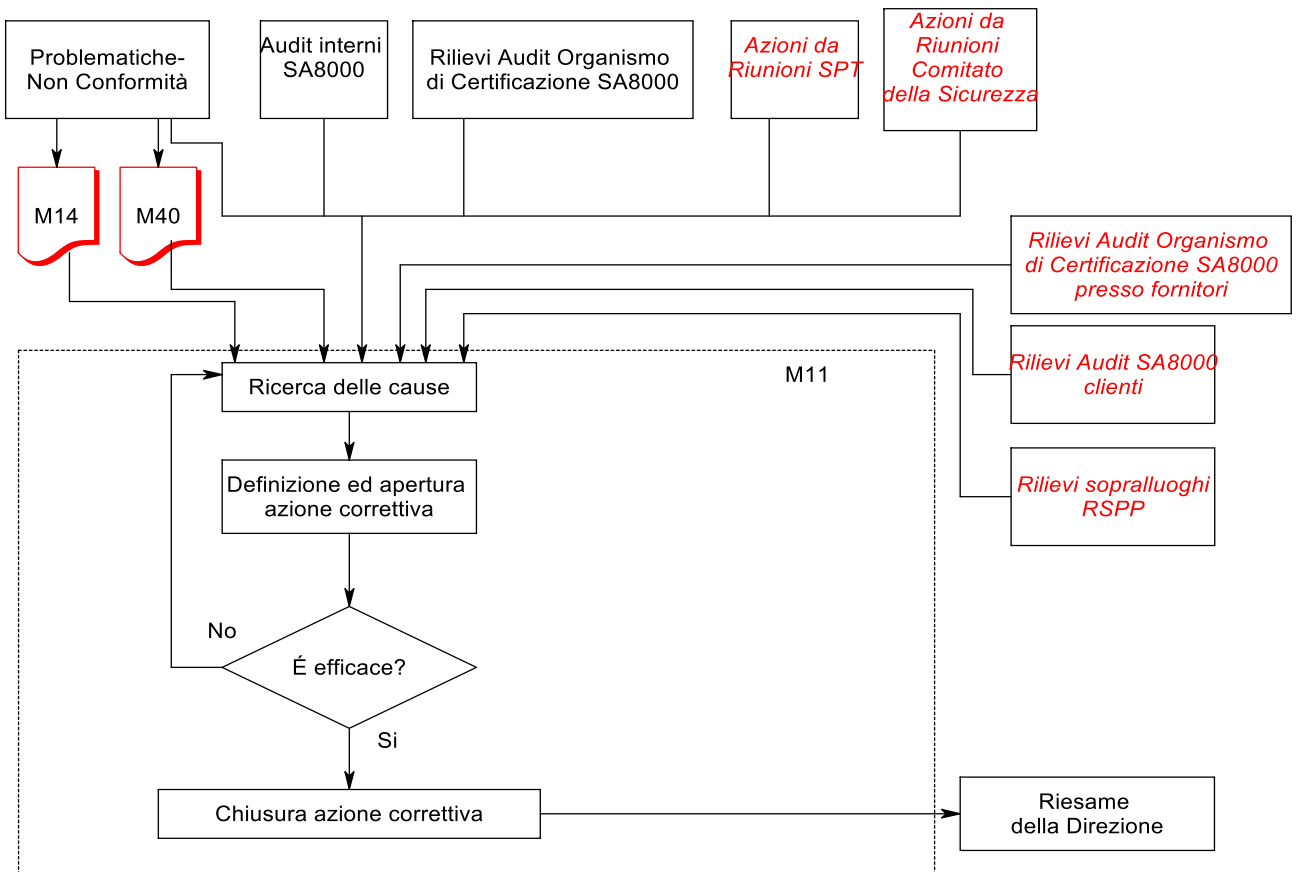
The SPT or one of its members appointed as spokespersons, will give feedback notice for both employee and stakeholder reports/non-compliances, if relevant or not, and what has been decided and implemented for each individual case in a short time, so as to make known the outcomes and actions taken.

The methods of communication of solutions and corrective actions can be made:

- a. directly verbally to the interested parties by the SPT or one of its appointed members;*
- b. in written form, through a notice posted on the company bulletin board, if the report/non-compliance was made anonymously by an employee;*
- c. in writing or orally to the interested parties of the interested parties, by the SPT or a member of the SPT appointed.*

6. CORRECTIVE ACTIONS FLOW

For action management, see the following flow:



7. CORRECTIVE ACTION MANAGEMENT

In cases of:

- a. reports/non-conformities;
- b. findings, observations noted in *SA8000 internal audits*;
- c. non-conformities, observations detected by the *SA8000 Certification Body*;
- d. *actions from SPT meetings*;
- e. *actions from meetings of the Security Committee*;
- f. *non-conformities, observations detected by the SA8000 Certification Body in audits of LORENZI's suppliers*;
- g. findings, observations detected in *SA8000 audits by LORENZI's customers*;
- h. *findings that emerged during the inspections of the RSPP*
- i. considerations that emerged during the Management Review;

of a certain severity or repetitiveness, corrective actions are defined and opened by the *Legal Department in collaboration with RL8000 and other LORENZI staff*, analyzing the initial documentation (M14 forms, internal audit reports, reports of the Certification Body, *customer audit reports, etc.*) to open corrective action activities.

To give a logical sequence, the *Legal Department* uses the M11 "Corrective/Preventive Actions Register" where it is recorded:

- a. share number;
- b. tick whether Corrective Action or Preventive Action;
- c. the starting data;
- d. a brief description of it;
- e. a summary of the case analysis;
- f. the possible solution or the one decided;
- g. an operational description;
- h. the time required or estimated;
- i. verification as it is carried out;
- j. who will carry out the verification;
- k. tick if the action closed
- l. Confirm or not whether the action is effective, i.e. whether it has solved the problem.

see excerpt of the M11 below:

Nr.	Az. Correttiva Az. Preventiva	Dati di partenza	Descrizione	ANALISI CAUSA	POSSIBILE SOLUZIONE	COME OPERIAMO		CONTROLLO		Azione chiusa?	Effettiva?
						Descrizione	Tempo richiesto	Verificare	Chi verifica?		

The *Legal Department* then defines what is needed to solve the "problem", in terms of human resources, means, time and how to implement it.


The *Legal Department* decides, in collaboration with *DGR, RL8000 or other LORENZI personnel*, the control of the solution implemented and who carries it out.

From the result of this, the *Legal Department checks and decides* whether the corrective action is effective and therefore is to be considered closed.

In cases where the definition and implementation of the action is not effective, the cycle starts again in the same sequence until the problem is resolved.

Legal regularly verifies the status of ongoing corrective/preventive actions and updates the date of the M11.

Corrective actions, both ongoing and closed, are items of discussion in the Management Review.

	<p style="text-align: center;">Procedure P03 ISSUE MANAGEMENT AND CORRECTIVE ACTIONS</p>	<p style="text-align: right;">Rev. 2</p> <p style="text-align: right;">Pag. 8 di 8</p>
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8. MANAGEMENT OF PREVENTIVE ACTIONS

Preventive actions follow the same flow as corrective actions and come from the same sources, but for potential causes.

However, the Legal Department always uses the M11 and its flow.

Preventive actions, both ongoing and closed, are referred to Management Review.