



INTEGRATED SYSTEM MANAGEMENT

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Rev. 3

CORPORATE POLICY FOR QUALITY, ENVIRONMENT, OHS AND CSR

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Midac's Board of Directors is committed to pursuing a corporate policy orientated toward the satisfaction of all parties involved in corporate activities both internal (in particular its employees) and external. Internal Client satisfaction is achieved through audits and specific training on issues related to the company's activities aiming at an ongoing staff involvement over time.

External Customer satisfaction is achieved by offering and adapting all processes to the Customer's specific requirements, both implied and explicit, and by monitoring the learning progress and achievement of established objectives.

To demonstrate its commitment to satisfying its Customers and all interested parties, Midac spa commits itself to utilising all auditing and assessment tools available and by defining the method of application and the required resources. On a yearly basis the Board defines and establishes the objectives which are then communicated to all employees. The most important corporate objectives aimed at an external audience and their satisfaction are delivered through a specific communication tool which is the company's web site - <http://www.midacbatteries.com>.

QUALITY

The Customer plays an essential role in making Midac spa a successful company. Therefore it is important to research and know your Customer well, provide services and products which satisfy their needs and create a high-customer satisfaction.

The objectives which Midac spa has established conforming to ISO 9001 and to the harmonized standard ISO / TS 16949 are:

- Improvement of corporate image and brand awareness, hence: increase the current customer base, increase turnover, expansion into new markets;
- Improvement in production processes and process control, from raw materials accepted into the warehouse to shipment conforming to the business plan prepared by the General Manager;
- Observance of all contractual obligations, explicit and implied;
- Managing and enhancing external communications;
- Customer service;
- Implementing the most modern methods aimed at improving Customer support through ongoing training for managers and key staff.

Achievement and performance of these five objectives will be monitored constantly through Customer Satisfaction management and complaint assessment following the procedures set out.

Achievement and retention of these objectives is through ongoing training and internal communications to all staff.

The achievement of these objectives is aimed at creating a Customer-focused company, improving market performance and making Customer Satisfaction the differentiating factor in a highly-competitive market.

ENVIRONMENT, OCCUPATIONAL HEALTH AND SAFETY AT WORK (OHS)

Midac spa acknowledges that environment, health and safety at work (OHS) is one of the major company issues and in response to this requirement has established policies, programmes and procedures ensuring an ecologically sustainable production as well as providing a safe and healthy (physical and moral) workplace for all employees.

Midac spa, conforming to the principles provided for under the ISO 14001 and OHSAS 18001 standards, has set a goal which is:

- Observe and enforce all applicable laws and legally binding regulations;
- Ongoing improvement of the policies, programmes and environment policy, health and safety at work (OHS) considering technological progress, scientific knowledge, consumer requirements and community expectations, starting with the observance of and respect for legislation;
- Deliver the corporate environment, health and safety at work policy by providing information, training, organising meetings involving all employees making them aware of the need to be responsible when working to respect the environment and their personal health and safety;
- Assess the possible impacts on the environment and hazards related to health and safety at work, during the production processes, when designing a new activity and before putting a plant or machine out of service or closing down a production site;
- Reduce to minimum any possible impact on the environment and hazards to health and safety at work when producing waste products and disposing of waste products by providing management action plans, development of plants and plant management considering an efficient and safe use of energy supplies, materials, hazardous substances and products and using sustainable recycling of resources;
- Inform Customers, distributors and the general public on safety issues related to transport, storage and disposal of products;
- Reduce the impact on the environment and hazards related to health and safety at work when handling company products and providing services related to the company's activities from the raw materials used in production, products, processes, emissions and waste through research and technological innovation to minimise the negative

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effects on the environment and hazards and risks related to health and safety in the workplace;

- Promote these principles to suppliers and contractors who work on behalf of the company by encouraging and requesting improvement in their normal and usual procedures conforming them to the company's principles and policies, as well as encouraging suppliers to adopt such principles ;
- Produce and retain management action plans to handle and manage emergency situations together with the emergency services, local authorities and community;
- Measure and record all environment, health and safety risk assessments by performing regular audits and evaluations on company objectives, legally binding standards and these principles , providing tangible information to the Board, the shareholders, authorities and general public respecting the spirit of the Certification Standard.

SOCIAL RESPONSIBILITY

Midac spa identifies itself in its responsibility toward social issues which is a key factor in the success of this company. Starting from an environmental awareness and a solid health and safety at work policy, Midac aims at incorporating in its overall corporate policy all the cornerstone principles provided for in the SA8000 standard, which are:

- Not to use or support child labour (in respect of the ILO conventions 182, 177 and 138 and ILO recommendation 146 and UN convention on The Rights of the Child);
- Not to use or support "forced labour" (in respect of the ILO conventions 29 and 105);
- Guarantee a safe and healthy workplace (in respect of the ILO convention 155, 102 and ILO recommendation 164);
- Respect workers' freedom of association and right to organise (in respect of the ILO convention 87);
- Not practise any form of discrimination (in respect of the ILO conventions 100, 111, 159, 169; of the ILO standard behavior about HIV/AIDS and about work world; of the UN convention on eliminating all forms of discrimination against foreign and the UN convention on eliminating all forms of discrimination against women);
- Not to use nor support disciplinary action such as corporal punishment, physical or mental coercion and verbal abuse (in respect of the Universal Declaration of Human Rights, of the ILO conventions 1, of the ILO recommendation 116 and point 6 of the SA8000 standard);
- To guarantee maternity protection removing and reducing risks to health and safety (in respect of the ILO convention 183);
- Regulate working hours in response to legislative requirements and national and local agreements (ensuring, where advantageous, what is provided for under point 7 of the SA8000 standard);
- Employee remuneration respecting the national collective employment contract and integrated company Employment contract (in respect of the ILO convention 98 and 131);
- Guarantee civil, political, economic, social and cultural rights of people (in respect of the international convention about civil and political rights and of the international convention about economic, social and cultural rights);

To ensure and guarantee that the SA8000 principles are respected Midac spa has adapted its corporate management system to these guidelines:

- Retaining a management system to ensure control and respect of the international standards (ILO - International Labour Organisation), UN conventions and declarations and national legislation related to the SA8000 requirements;
- Providing suitable communication tools and channels to promote ILO conventions and recommendations to all employees;
- The Board respects the right of employees to be represented, providing proof of free elections of employee representatives (in respect of the ILO convention 135) and the possibility that these representatives address the Board on questions related to expectations and problems;
- Inform all suppliers of the concepts related to social responsibility , illustrating the aims and requesting that they adopt these principles and prepare and implement an action plan related to critical suppliers (considering their geographical location, the type of work and services provided);
- Assure that the corporate management system is implemented efficiently to ensure that the established social objectives are achieved, deal with (receipt and response) all complaints or suggestions received from the interested parties and provide efficient external communication related to the performance of the corporate social responsibility system.

In relation to social issues and where there is a difference between national legislation and the SA8000 standard, Midac spa will implement the most advantageous regulation / standard of the two in favour of the employee.

Midac spa has set the objective of preparing a corporate social report based on objective data, to provide evidence of the company's commitment (external and internal) toward retaining ethical corporate practices and activities pursuing (internal) ongoing improvement in the working conditions of all employees.

Soave, 26th November 2009

**Managing Director
Filippo Girardi**