



# **HUMAN RIGHTS POLICY**



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## HUMAN RIGHTS POLICY

### Introduction

Tesmec strongly believes that preventing violations and strengthening protection of human rights<sup>1</sup>, especially in the workplace, is an indispensable prerogative to undertake any economic and commercial relationship. Respect for human rights is considered a key element in pursuing sustainable development.

Tesmec operates within the framework of the United Nations Universal Declaration of Human Rights, which states that *"every individual and every organ of society, including companies, shall strive by teaching and education to promote respect for human rights and freedoms and by progressive measures, national and international, to secure their universal and effective recognition and observance."*

With the aim of supporting and promoting respect for inviolable human rights, Tesmec is committed to guaranteeing professional relations with all its stakeholders based on the respect of the fundamental guarantees recognized to all human beings by national and supranational laws.

Tesmec protects the recognition and safeguarding of dignity, freedom and equality, the protection of work and trade union freedoms, health, safety, the environment, and biodiversity, as well as the circular and efficient use of resources and sustainable development.

The values and principles described in this Policy represent the Group cultural heritage and are disseminated at all levels through the commitment to organize awareness-raising and training actions.

### Objectives of the document

Tesmec Human Rights Policy defines the fundamental principles, rules of conduct and human rights commitments that Tesmec recognizes, respects and to which all recipients<sup>2</sup> are required to comply with the aim of preventing, managing and, where possible, reducing the impacts of inappropriate management.

The purpose of this Policy is to make respect for Human Rights an essential requirement in carrying out Tesmec activities.

### Regulatory framework

Tesmec Human Rights Policy is based on declarations and conventions, standards and principles, generally accepted international guidelines and recommendations, as well as strict compliance with company regulations and procedures.

#### *National and international regulatory framework*

Tesmec promotes the founding principles of conventions and declarations of international and European law and, among others, the International Charter of Human Rights of the United Nations (UN), the Universal Declaration of Human Rights, the International Covenant on Civil and Political Rights, the International Covenant on Economic, Social and Cultural Rights, the fundamental conventions of the International Labour Organization (ILO) - n. 29, 87, 98, 100, 105, 111, 138, 182 - and the declaration on Fundamental Principles and Rights at Work. In addition to this, private sector standards and voluntary initiatives have been taken

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<sup>1</sup> "Tesmec" stands for Tesmec S.p.A. and its directly and indirectly controlled companies, in Italy and abroad.

<sup>2</sup> Any third party, non-employee, that provides products or services to Tesmec or third parties who carry out activities on behalf of or in the interest of Tesmec.



into account in their most up-to-date editions, including, for example, the 10 principles of the UN Global Compact and the Organization for Economic Co-operation and Development (OECD) Guidelines for Multinational Enterprises.

Tesmec also complies with Italian regulations and regulations in the countries in which it operates or may operate, such as, but not limited to:

- Legislative Decree 231/2001 on the administrative liability of entities
- Anti-corruption laws
- Laws on freedom and trade union activity in the workplace
- Laws on health and safety in the workplace
- Working time laws
- Environmental laws
- Privacy and personal data protection laws
- Laws on equal opportunities for men and women

#### *Internal regulatory framework*

Tesmec has adopted several internal regulatory instruments, aimed at ensuring effective, efficient and transparent management of its activities, as well as respectful of the values expressed in this Policy.

The following internal documents are linked to the principles listed in this Policy and support its implementation:

- Code of Ethics
- Code of Ethics for Suppliers
- Sustainability Policy
- Health, Safety and Environment Policy
- Management, Quality, Environment and Safety System
- Anti-Corruption Policy
- Whistleblowing Policy
- Diversity policy in relation to the composition of the administrative and management bodies and control bodies of Tesmec S.p.A.
- Policy for managing dialogue with shareholders in general
- Organization, Management and Control Model pursuant to Legislative Decree 231/2001
- Organizational and privacy management model

#### **Reference principles**

The principles included in this section take into account the relevance that these assume in the context of business activities and relationships. Tesmec strives to respect these principles in every Country in which it operates, while taking into account local cultural, social and economic diversity, and requires each stakeholder to adopt conduct in line with these principles.



## WORKING PRACTICES

### *Refusal of forced or compulsory labour and child labour*

Tesmec is committed to protecting the right to employment and voluntary provision and does not use any kind of forced or compulsory labor, forms of slavery and human trafficking – as defined by ILO Convention No. 29. It rejects the use of any disciplinary practice involving the use of physical violence, both against its employees and workers employed along the supply chain and opposes any form of exploitation of children. In Tesmec, in fact, no type of child labor is tolerated, as defined by the legislation in force in the country of execution of the activities. In any case, the age shall not be lower than the minimum age established by ILO Convention No. 138.

### *Respect for diversity and non-discrimination*

Tesmec does not tolerate any form of harassment and/or discrimination in the field of gender, age, ethnicity, nationality, religion, physical or psychological disability, membership of trade unions, political affiliation or sexual orientation. Workers must be treated fairly, respectfully and with dignity, guaranteeing equal opportunities for all.

The terms and conditions of employment, including recruitment, training, working conditions, remuneration, allowances, promotion, discipline, dismissal or retirement, shall be based exclusively on the qualifications, performance, skills and experience of each individual.

In this context, Tesmec is committed to providing all its employees with a positive and stimulating work environment, free from discrimination, guaranteeing everyone the recognition, respect and enhancement of their dignity, their rights, their cultural and individual diversity, with the aim of creating a strong Group culture.

### *Freedom of association and collective bargaining*

Tesmec fully recognizes, respects and guarantees freedom of association and the right to collective bargaining, sharing with trade unions a system of industrial relations based on constant and constructive confrontation, in compliance with current regulations and *best practices*.

### *Health, safety and well-being*

Tesmec is committed to ensuring high standards of health and safety protection at work by guaranteeing all employees a safe, secure, and healthy working environment, which meets the applicable rules on health and safety at work. It adopts appropriate safety procedures, implements all necessary measures to reduce the risk of accidents, injuries or exposures to harmful substances, minimizing the impact of hazardous situations through the implementation of emergency plans and response procedures.

Tesmec recognizes the fundamental role that training plays in identifying and preventing critical issues in the field of health and safety in the workplace. It therefore guarantees continuous training and ensures that employees are duly informed and updated on these issues.

Particular attention is paid to the development of welfare policies aimed at promoting the well-being of employees and the reconciliation of private and professional life, as well as compliance with the legislation protecting protected categories.



### *Fair and favorable working conditions*

Tesmec undertakes to request work services in compliance with the provisions of the law and the collective bargaining in force in terms of maximum number of working hours, rest periods during the day and during the week and a period of paid vacation per year.

Employee remuneration considers the principle of fair compensation for work and equal pay for women and men for work of equal value, based on objective evaluation in the work to be carried out (ILO Convention No. 100).

### COMMUNITY AND SOCIETY

#### *Respect for local communities*

Tesmec is committed to respecting the rights of local communities and contributing to their economic and social growth by promoting local development.

As part of its activities, Tesmec is committed to contributing to the well-being of the community in which it operates, ensuring respect for the needs of the territory, with the aim of interpreting its needs also in terms of attention to employment levels, and investing in research and development of innovative technologies from an environmental and energy point of view.

#### *Environmental protection*

Tesmec adopts an environmental management model aimed at continuous improvement and promotes every action aimed at reducing polluting emissions and those of gases considered responsible for the "greenhouse effect", reducing the use of natural resources, recycling materials, and increasing energy efficiency.

One of the Group's strategic objectives is to reduce the environmental impact of its activities, with the aim of minimizing its carbon footprint.

#### *Fight against corruption*

Tesmec is actively engaged in the prevention and fight against corruption through controls that are an integral part of the Internal Control System. Legality, honesty, integrity, fairness and transparency are some of the general principles on which the Group Code of Ethics and the conduct of corporate activities are based. At Group level, the fight against corruption is a responsibility that falls on any person acting in the name or on behalf of Tesmec.

The approach to preventing and combating corruption is substantiated through the implementation and application of two main tools: the Organizational, Management and Control Model pursuant to Legislative Decree 231/01 (including the Group Code of Ethics) and the Group Anti-Corruption Policy. Several Italian companies are already ISO 37001 certified (Management systems for the prevention of corruption).

The Anti-Corruption Policy, adopted by the entire Group, provides a systematic framework for anti-corruption, and prohibits company personnel and anyone acting in the name or on behalf of Group Companies and/or in the interest of the Group, from offering, paying or accepting, directly or indirectly, money or other benefits, for the purpose of obtaining or securing an unfair advantage in the context of business activities.



Tesmec stakeholders are required not to practice or tolerate any kind of corruption, not to offer or promise money, gifts or other benefits, with the aim, even implicit, of acquiring treatment in their favor or an improper advantage towards third parties.

#### *Privacy and confidentiality*

Tesmec undertakes to protect and appropriately use confidential and intellectual property information, know-how and trade secrets of its stakeholders and to use them exclusively for authorized purposes.

Tesmec undertakes to process personal data and information in compliance with fundamental rights and freedoms, as well as the dignity of the interested parties, with particular reference to confidentiality, personal identity and the protection of personal data. It ensures that personal data are processed lawfully and in accordance with the provisions of current regulations, ensuring, in particular, the relevance of the data processing with the purposes declared and pursued.

#### *Communication*

Tesmec is committed to non-discriminatory corporate and business communication that respects different cultures in line with the principles of clarity, simplicity, transparency, completeness and fairness.

Tesmec S.p.A. is a company listed on the Italian Stock Exchange and communicates in accordance with current regulations on internal and external information flows, with particular reference to confidential information and inside information.

#### *Access to innovation and inclusion*

Tesmec mission is to provide solutions to drive the growth and modernization of each Country, promoting innovative, digital and sustainable technologies in the field of infrastructure for the transport of energy, data and materials.

The strategy pursued can be summarized in the term "Glocal": being global but having local presences in areas of the planet to better meet the needs of individual markets. Cultural differences and various skills are reflected in business decisions.

The Group business model is focused on integration between the main players in the market. The goal is to create an inclusive, high-performance environment that supports sustainable progress.

### **Monitoring and reporting system**

Tesmec is aware of the importance of a control system that guarantees that human rights performance is supervised and that any risks and negative impacts on human rights are properly monitored and, if present, managed. In fact, Tesmec establishes collaborative relationships with counterparties of consolidated reputation, setting up these relationships in compliance with current legislation and the inspiring principles of this Policy.

To minimize the risks of human rights violations in its supply chain, Tesmec shares with its suppliers the Code of Ethics, which describes the values and expectations of the Company also in terms of ethical, environmental, and social standards.



Tesmec verifies the effectiveness of the approach adopted mainly through dedicated tools, which consist of procedures for the identification and periodic assessment of risks inside and outside the Group, a violation reporting system, a sanctioning system and dialogue activities with stakeholders.

Listening activities and permanent dialogue with stakeholders are also a valid system for monitoring and managing human rights. As required by the Code of Ethics, Tesmec, in order to bring out anomalous cases or supposed offenses, makes available, on the dedicated pages of the Group's institutional websites, systems suitable for receiving reports from stakeholders, always protecting the whistleblower, in line with current legislation. The management of reports is entrusted to the Internal Audit Function which, having verified their relevance and validity on precise factual elements, submits these cases to the attention of the corporate function or the competent corporate bodies, which evaluate the activation of legal actions or the adoption of measures in accordance with the provisions of the law and with the contractual regimes.

Human rights are subject to specific assessment also in the context of the materiality analysis represented in the Consolidated Non-Financial Statement, drawn up pursuant to Legislative Decree 254/2016.

### **Scope of application**

The Human Rights Policy applies to all companies of the Tesmec Group, including those based abroad, considering the differences existing from a regulatory, social, economic and cultural point of view.

### **Document distribution**

Tesmec undertakes to promote and guarantee adequate knowledge of the Human Rights Policy, disseminating it through the appropriate tools to reach the entire company population, such as, for example, publication on the intranet for employees and publication on the corporate website for external stakeholders.

### **Approval and revision of the Policy**

This Policy was approved by the Board of Directors of Tesmec S.p.A. on December 21, 2022. The document will be revised and/or amended whenever necessary, taking into account the internal changes of the Group companies, as well as the external context, enhancing the progress of human rights standards and practices.