



Regulation

## **D332 - Salcef Group Policy on human rights**

Rev. 0 dated 16/03/2023

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**Translation from the Italian original which remains the definitive version.**

**LIST OF REVISIONS**

REV.	DATE	DESCRIPTION OF REVISION / CHANGE
0	16/03/2023	First Issue

**APPROVAL PROCEDURE**

<b>Drawn up by</b> CKO	
<b>Checked by</b> CEO	
<b>Approved by</b> BOD	

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## 1 Scope

The Salcef Group Policy on human rights is directly applicable to all Group business activities and to all the companies of which the Group has management control, as well as to all its directors, executives and employees.

The CEO of Salcef Group S.p.A. approves this Policy, adopted by all subsidiaries, which formalise the adoption by resolution of their administrative bodies.

The staff and collaborators of the Group and its subsidiaries are required to comply with the undertakings of this Policy, while striving to integrate these principles across all business departments.

All suppliers, subcontractors as well as all business partners are required to comply with the principles set out in this policy, as well as to make use of all tools introduced to monitor compliance. The Group is committed to promoting the dissemination and adoption of the principles and values set out in this Policy throughout the value chain.

The Salcef Group recognises its human rights obligations and is committed to strictly complying with the regulations and laws of the various areas in which it operates. Wherever local law or custom imposes higher standards than those set out in this Policy, local regulations shall apply. If, on the other hand, the Policy provides for more stringent human rights principles and standards, the latter as defined in this Policy shall prevail.

## 2 Aims and Objectives – Salcef Group commitment

This Salcef Group Policy on human rights aims to promote respect for all internationally recognised human rights and applicable laws.

The Salcef Group is committed to increasing knowledge and awareness of the issues described in this Policy through appropriate training programmes, as well as to promoting respect for human rights throughout the value chain with customers, suppliers, the Group's business partners and communities.

In accordance with the UN Guiding Principles on Business and Human Rights, the definition of this Policy and, in general, of all the Group's actions in its human rights procedures, activities and operations, is based on the international and European reference standards listed below:

- The United Nations International Bill of Human Rights, consisting of: Universal Declaration of Human Rights (UNO, 1948), International Covenant on Economic, Social and Cultural Rights (UNO, 1966), International Covenant on Civil and Political Rights (UNO, 1966) and its two protocols.
- The International Labour Organisation Declaration on Fundamental Principles and Rights at Work (ILO, 1998), the eight core International Labour Organisation Conventions (no. 29, 87, 98, 100, 105, 111, 138, 182) and ILO Conventions no. 107 and 169 on the Rights of Indigenous and Tribal Peoples.
- The Convention on the Prevention and Punishment of the Crime of Genocide (UNO, 1948).
- The International Convention on the Elimination of All Forms of Racial Discrimination (UNO, 1969).
- The Convention on the Elimination of All Forms of Discrimination against Women (UNO, 1979).
- The Convention against Torture and Other Cruel, Inhuman and Degrading Treatment or Punishment (UNO, 1984).

- The Declaration on the Rights of Persons Belonging to National or Ethnic, Religious and Linguistic Minorities (UNO, 1992).
- The Convention on the Rights of the Child (UNO, 1999).
- The UN Convention against Transnational Organised Crime and the Palermo Protocol to prevent, suppress and punish trafficking in persons, especially women and children, supplementing the UN Convention against Transnational Organised Crime (UNO, 2000)
- The Convention on the rights of persons with disabilities (UNO, 2006).
- The Declaration on the rights of indigenous peoples (ONU, 2007).
- The ILO Convention 190 on the elimination of violence and harassment in the world of work (ILO, 2019).
- The European Convention for the protection of human rights and fundamental freedoms (Council of Europe, 1953).
- The European social charter (Council of Europe, 1965).
- The Charter of fundamental rights of the European Union (Parliament, Council and European Commission, 2000).

In defining this policy and in order to avoid causing or actively contributing to any form of negative impact on human rights in its direct operations and global value chain, as well as to remedy them, the Salcef Group observes and/or adheres to the following international guidelines:

- The 10 principles of the UN Global Compact
- The Organisation for Economic Co-operation and Development (OECD) Guidelines for Multinational Enterprises.
- The UN Guiding Principles on Business and Human Rights.
- The ILO Tripartite Declaration of Principles concerning Multinational Enterprises and Social Policy.
- The UN Declaration on the rights of Indigenous Peoples.

This Policy is furthermore drafted in line with the following internal documents, which support its application:

- [Salcef Group Integrated Policy](#)
- [Salcef Group Code of Ethics and Conduct](#)
- [Supplier Code of Conduct](#)
- [Regulations of Salcef Group Supplier Qualification System](#)
- [Organisation, Management and Control Model - Italian Legislative Decree n. 231 dated 8 June 2001 \("Model 231"\)](#)
- [Diversity, Equity and Inclusion Policy](#)
- SA 8000 Standard

### 3 Principles and Values

The principles set out in this section are derived from the process of identifying and assessing the main human rights concerns within the Group's business activities and relationships. The analysis takes into account, among other things, information on the industry and geographical context in which the Group operates, as well as other specific risk factors for the company.

In implementing the provisions of this Policy, particular attention will be paid to the conditions of specific categories of vulnerable persons, such as migrant workers, young people, children, the elderly, LGBTIQ+ persons, women, persons with functional, physical and intellectual diversity, and any other category, community and/or person at risk of social exclusion and discrimination.

### **3.1 Eradication of forced or compulsory labour**

The Salcef Group rejects and condemns any form of forced or compulsory labour, including forced recruitment, as well as any form of modern slavery and human trafficking in all its forms.

Particular attention is given to respecting the rights of migrant workers, as a particularly vulnerable category within the Salcef Group's activities, by ensuring (a) the absence of forced recruitment practices through any form of deception, coercion or omission in contracts and the recruitment process, ensuring that workers understand the contracts and their conditions; (b) the absence of commissions and/or fees of any kind during the recruitment process and the entire duration of employment; (c) the rejection of any form of restriction on freedom of movement, ensuring that workers have access to their identity documents and/or visas. Workers must be free to terminate employment at any time without being subject to any kind of sanction and/or retaliation.

### **3.2 Rejection of child labour**

The Salcef Group does not tolerate any form of child labour, ensuring full compliance with applicable laws and the provisions set out in the International Labour Organisation (ILO) Convention 138 on Minimum Age and ILO Convention 182 of 1999 on the Worst Forms of Child Labour, which affirms the need and urgency to adopt action strategies to eliminate, as a top priority, the worst forms of child labour, without losing sight of the long-term goal of eliminating all forms of child labour worldwide.

The Salcef Group is committed to conveying to all stakeholders the need not to use workers whose age falls within the definition of "child" and "young worker" for any reason. During the recruitment process, the Human Resources department/division checks the worker's age data to ensure that there are no situations which fail to comply with these parameters. In accordance with the requirements of the SA 8000 standard, the Salcef Group will also communicate to all interested parties: the possible presence of children at suppliers and/or sub-suppliers; the remedial plans established to remedy situations where children and/or young workers are present; the progress of the established plans.

### **3.3 Respect for workers' health and safety**

Workers' health and safety is of primary importance to the Salcef Group, which is committed to maintaining a safe and healthy working environment, free from all forms of violence, harassment or intimidation, and to promoting high standards of worker health and safety protection, minimising workers' exposure to risks.

Through the Occupational Health and Safety Management System, the Management aims to pursue the following corporate objectives:

1. To ensure safety in the workplace, defining and implementing actions to reduce risks, with a view to preventing occupational diseases and accidents at work, with the objective of "zero accidents";
2. To prevent and correct any hazardous situation, including near misses, by promoting their reporting and systematically implementing the analysis of causes and possible remedies;
3. To pursue a constant increase in safety performance;
4. To ensure the protection of the health and psychological and physical integrity of the people who work within the Salcef Group;
5. To assess the risks associated with changes in production activities resulting from new equipment or changes to the work environment, prior to the changes themselves.

### **3.4 Freedom of association and collective bargaining**

The Salcef Group recognises and promotes the right to free association and collective bargaining, rejecting any form of abuse, violence, discrimination and/or retaliation against organisations, functions and/or individuals representing workers. The Group is committed to promoting a constructive dialogue with trade union representatives and to upholding the right to strike action in all countries where it operates.

### **3.5 Rejection of any form of discrimination**

The Salcef Group is committed to requiring its employees, collaborators, suppliers and business partners with whom it does business to promote and adopt practices that promote diversity and inclusion, as well as to oppose any form of intimidation, threat or harassment.

As indicated in the [Diversity, Equity and Inclusion Policy](#), the Salcef Group rejects any kind of discriminatory treatment with regard to nationality, gender, age, religion, ethnicity, sexual identity and/or orientation, marital status, social class, political opinion and/or disability.

### **3.6 Fair, equitable and favourable working conditions**

The Salcef Group is committed to upholding and promoting decent, healthy and safe working conditions, respecting the international standards established by the International Labour Organisation (ILO) as well as applicable national legislation - including collective agreements - on disciplinary measures, remuneration and minimum wage, maximum working hours, overtime, breaks, rest periods, holidays and equal pay for men and women for equal work.

The Salcef Group protects the well-being of its workers and the balance between private and professional life, ensuring decent economic conditions and sustainable working hours.

Where workers are provided with accommodation, they must be given decent living conditions, safe and clean facilities, as well as access to electricity, drinking water and sanitation, ensuring adequate levels of privacy and personal space and freedom of movement.

### **3.7 Respect for the rights of local communities**

The Group is committed to respecting the rights, culture, traditions and customs of local communities and indigenous and tribal peoples that may be present in the countries where the Salcef Group operates, protecting the environmental heritage and paying particular attention to the most vulnerable communities.

### 3.8 Anti-corruption and business integrity

The Salcef Group adopts a firm approach towards and absolutely prohibits any form of corruption, aware of the negative effects of corrupt practices on human rights and economic and social development in the area in which it operates.

The Salcef Group firmly believes that its commitment to the prevention of Corruption can therefore ensure a progressive dissemination of ethical principles and values through the Management System for the Prevention of Corruption; the Salcef Group's Management undertakes not to generate organisational, ethical and relationship uncertainty.

### 3.9 Protection of Privacy

The Salcef Group is committed to ensuring the adequate processing and protection of personal data, complying with the provisions of the GDPR, as well as with any other national and/or EU provisions applicable to privacy, including any prescriptive measures of the Italian Data Protection Authority that may be applicable.

The Group has implemented its own privacy structure in accordance with the regulations laid down by the GDPR, adopting the documentation required by the aforementioned legislation, such as privacy policies, appointment of external processors, designation of persons authorised to process.

## 4 Monitoring

The Group integrates this Human Rights Policy into its risk management model, assessing it through appropriate control systems at least once a year and at specific times when the opportunity arises.

This process leads to the definition of action plans, fully integrated into the broader corporate sustainability strategy, capable of strengthening the tools provided by the internal control system and ensuring the highest level of implementation of this Policy.

This Salcef Group Policy on human rights is subject to periodic review at least once a year, incorporating the results of planned assessments and monitoring any internal or external developments that may affect the Policy with a view to ensuring the continuous improvement of the Group's human rights strategy.

### 4.1 Violation Reporting Channels

The Salcef Group provides its Stakeholders with a channel ("Whistleblowing") dedicated to reporting any situations that, in violation of this Policy, constitute or may constitute a risk of violation of Human Rights. The channel is suitable to ensure, by means of computerised and encrypted methods, the confidentiality of the identity of the reporter.

This reporting system is accessible through an IT channel accessible at the following link: [my.salcef.com](https://my.salcef.com).

Reports are handled by the Head of Internal Audit & Compliance according to criteria of utmost confidentiality and protection of the rights of the persons involved.



## 5 Policy Implementation

The CEO approves the Group's Human Rights strategy and policies, is responsible for their implementation and entrusts the relevant internal departments with the responsibility of monitoring their implementation at Group level, also verifying full compliance with the Company's environmental, social and corporate governance policies and standards, as well as internal codes of conduct.

Each Salcef Group company is responsible for carrying out human rights verification and monitoring processes in the performance of its business, in accordance with this Policy.

## 6 Reporting and Dissemination

The Salcef Group's Human Rights Policy is made accessible to all Stakeholders on the Group's website and through other appropriate communication channels and tools.

Internally, this policy is brought to the attention of all staff, collaborators, suppliers and business partners, including through specific training sessions, so that there is full awareness and further impetus to promote human rights as an integral part of the Group's value system.

In accordance with national and EU regulations, the Salcef Group reports annually on its Human Rights activities with the publication of the Sustainability Report or Integrated Report. All of the Group's Sustainability Reports, published since the 2020 financial year, are accessible and downloadable at the dedicated section of the website [www.salcef.com/sustainability/sustainability-reporting](http://www.salcef.com/sustainability/sustainability-reporting). Documents are drafted according to the international guidelines of the GRI (Global Reporting Initiative) Standard and certified by an external auditor.



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