

# HUMAN RIGHTS POLICY

## 1. INTRODUCTION

This Human Rights Policy (hereinafter “Policy”) is developed by the ILPEA Group (hereinafter also “ILPEA”, or “Group”, or “Company”) and has been implemented throughout the Group, including its more than 30 plants in 5 continents all over the world.

### 1.1 ILPEA’s Commitment and Policy Purpose

Guaranteeing respect for human rights is one of the fundamental principles of ILPEA’s business and sustainability strategy.

Policy Purpose is to introduce the fundamental principles that ILPEA respects, the processes in place for assessment of the human rights risks (referring to ILPEA employees, supply chain, customers and communities in which the Company operates), as well as actions to mitigate these risks in the event that they occur.

### 1.2 International Reference Framework

ILPEA’s commitment to respect and protection of human rights is guided by some of the main international standards and national and international laws on these issues:

- Fair Labor Association (FLA) Principles of Fair Labor and Responsible Sourcing
- Protect, Respect and Remedy framework by the United Nations Human Rights Council
- The European Convention on Human Rights
- Human Trafficking Prevention Act
- The English Modern Slavery Act (2015)
- The United Nations International Charter of Rights which includes:
- The Universal Declaration of Human Rights
- The International Covenant on Civil and Political Rights
- The International Covenant on Economic, Social and Cultural Rights
- The Charter of Fundamental Rights of the European Union
- The decent work standards contemplated in the ILO (International Labor Organization) conventions, including: the Declaration on Fundamental Principles and Rights at Work, the Convention on Freedom of Association and Protection of the Right to Organize, 1948 (No. 87), the Right to Organize and Collective Bargaining Convention, 1949 (No. 98), the Forced Labor Convention, 1930 (No. 29), the Abolition of Forced Labor Convention, 1957 (No. 105), the Convention Minimum Age, 1973 (No. 138), the Worst Forms of Child Labor Convention, 1999 (No. 182), the Equal Pay Convention, 1951 (No. 100), the Convention on Discrimination (Employment and Employment), 1958 (No. 111), the Working Hours Convention, 1919 (No. 1), the Weekly Rest Convention, 1921 (No. 14), the Minimum Wage Setting Methods Convention, 1928 (No. . 26), the Workers’ Health and Safety Convention, 1981 ( 155)
- International standards SA 8000, ISO 26000, ISO 45001, ISO 14001
- The Guidelines for Multinational Enterprises of the OECD (Organization for Economic Cooperation and Development)
- The United Nations Convention on the Rights of the Child
- The United Nations Convention on the Elimination of Discrimination against Women
- The United Nations Guiding Principles for Business and Human Rights
- The Universal Declaration of Human Rights of the United Nations
- The Sustainable Development Goals (SDGs) of the United Nations

- The California Transparency in Supply Chains Act
- Section 1502 of the US Dodd Frank Act Wall Street Reform and Consumer Protection Act
- Regulation (EU) 2017/821 on minerals from conflict zones (including related economic sanctions for human rights abuses)
- EU Directive 2014/95 on the disclosure of non-financial information

### 1.3 Internal Reference Framework

In order to ensure consistency and uniformity, ILPEA's Human Rights Policy integrates the information provided in the other Group's policies:

- Code of Ethics;
- Supplier Code of Conduct;
- Conflict Minerals Policy;
- Whistleblowing Procedure;
- Anti-Bribery Policy;
- Quality, Health, Safety, Environment and Sustainability Policy;
- Privacy Policy.

### 1.4 Scope of Application and Recipients

ILPEA Group is aware that, in order to contribute to sustainable development, it is necessary to guarantee the sustainability of its activities along its entire value chain.

For this reason, ILPEA's Human Rights Policy is addressed internally to employees of all Group companies worldwide, and it is a common reference document for all suppliers, commercial partners and collaborators.

## **2.GOVERNANCE**

Supervision of this Policy is headed by the Human Resources Function, at Corporate level, which ensures that the Policy and its Principles are periodically reviewed and, if necessary, updated, and also guarantees its correct application.

Human Resources Function, at Corporate level, also takes care of Policy's dissemination in all different operational sites, while accountable Managers of each operational site ensure its implementation at local level.

## **3.HUMAN RIGHTS IN THE WORKPLACE**

### **3.1 Harassment and Mobbing**

ILPEA rejects and prohibits any form of harassment or mobbing in personal business relationships both inside and outside the Group, whether physical, sexual, psychological, verbal based on personal or cultural diversity or on any other form of diversity.

This kind of behavior is prohibited, without exceptions of any kind.

Any form of violence is prohibited, including abuse of power.

### **3.2 Discrimination, Diversity, Equity and Inclusion**

The Group ensures an inclusive workplace that values uniqueness and diversity as fundamental resources for human development.

ILPEA also undertakes to offer equal opportunities to all its employees, ensuring that each of them receives a fair treatment based on merit and competence, without discrimination of any kind such as race, ethnic origin, sex, nationality, language, disability, religion, political belief, sexual orientation.

### **3.3 Employee Recruitment**

ILPEA guarantees that evaluation of personnel to be hired is carried out on the basis of correspondence of the candidates' profiles with those expected and with the company needs, in compliance with equal opportunities for all forms of diversity.

Each selection process for new hires encourages the application of all individuals with required professional qualifications and / or experience and is carried out exclusively on the basis of merit. The selection of new talents takes place through the conduct of a plurality of interviews by both the Human Resources Function and by the Managers of the organizational units involved in the recruitment.

### 3.4 Employee Development

Professionalism and commitment of management and employees are strategic for achieving the Group's objectives.

ILPEA values its personnel on a merit-based basis, develops their professional skills according to the principle of equal opportunities and in line with its strategic choices, organizational and production needs, taking into account their training needs.

With a view to enhancing development of professional skills of resources, ILPEA implements programs relating to:

- on-the-job" training and professional and managerial training;
- internal growth led by managers;
- any mobility to different positions;
- performance evaluation;
- career development and promotion process.

ILPEA attributes strategic value to the training process which, through human capital development, contributes to the achievement of corporate objectives.

### 3.5 Occupational Health & Safety and Environmental Protection

It is the Group's commitment to guarantee the health, safety of its employees and respect for environment, in compliance with international and national regulations.

The Group pays attention to health, safety and the environment in all its facets.

It conducts on a periodic basis risk assessments (e.g. deriving from stress, noise, etc.) and adopts general measures to eliminate risks and, where this is not possible, reduces them.

### 3.6 Working Hours and Conditions

The Group recognizes importance of creating respectful and stimulating working conditions. This also includes an adequate balance between work and private life, through decent working hours that respect local and international laws.

ILPEA also undertakes to ensure that overtime work is paid in accordance with local laws and it is in any case considered as an exception.

### 3.7 Compensation and Wages

ILPEA undertakes to fully comply with legal and contractual provisions applicable in various areas in which it operates, ensuring that each of its employees receives a fair legal and salary treatment, based on merit and skills.

Anyone who works for ILPEA must enjoy an adequate remuneration, at least equal to, if not higher than, the minimum levels established by the local legislation in force in the various countries in which the workers operate and in line with the major international standards.

### **3.8 Child Labor**

ILPEA strictly prohibits child labor and does not tolerate hiring of any employee under age of 15, unless local law of each country provides for a higher limit.

### **3.9 Forced Labor and Human Trafficking**

ILPEA rejects all forms of forced labor, human exploitation and trafficking, including bonded, forced, involuntary imprisonment and corporal punishment.

### **3.10 Communication and Engagement**

For the entire ILPEA Group, the engagement of its people and employees is an important aspect. Active participation is encouraged and promoted through mutual exchange of information and values which will not only benefit the employees' own growth but also the Group's.

Freedom of expression, opinion and information is guaranteed to all employees and people of ILPEA.

### **3.11 Freedom of Association and Collective Bargaining**

Ilpea promotes the right of its employees to join trade unions and therefore the right to establish, be represented by or take part in organizations aimed at the protection and promotion of their interests, such as trade unions or other forms of representation, as long as they act in compliance with the laws local in force on these aspects.

### **3.12 Relation with Community and Contribution to Local Development**

The Group contributes to socio-economic growth of local communities by enhancing recruitment of local people and promoting development of local professionals.

Dialogue with local communities is a key aspect of ILPEA's business strategy; in this regard, ILPEA undertakes to develop cooperation and involvement initiatives aimed at increasing the economic, social, environmental and cultural well-being of communities in which it operates.

### **3.13 Data Protection and Privacy**

ILPEA guarantees that processing of personal data within its companies respects the fundamental rights as well as the dignity of parties concerned, as required by the provisions of law in force.

Personal data are processed lawfully and fairly and, in any case, data collected and stored are only those necessary for specific, explicit and legitimate purposes.

Furthermore, data must be kept for a period of time not exceeding that necessary for purpose of collection.

ILPEA also undertakes to adopt adequate preventive security measures for all databases that store and retain personal data, in order to avoid the risk of destruction and loss or unauthorized access or unauthorized processing.

## **4. RISK ASSESSMENT AND MITIGATION**

ILPEA carries out an ESG risk assessment related to its business activity, as an integral part of its sustainability strategy.

Risk Assessment includes a specific assessment of Human Rights risks related to production and is carried out through direct engagement of local managers.

ILPEA is committed to adopting all necessary measures, including risk assessment, to proactively monitor its impacts on Human Rights, as well as to prevent and mitigate any potential negative impact on them.

## **5. COMMUNICATION AND TRAINING**

This Human Rights Policy is communicated to all ILPEA employees, during the onboarding phase of new hires and through periodic training initiatives.

ILPEA has in fact introduced training courses focused on human rights issues, in order to raise awareness among its employees and encourage them to respect the principles set out.

ILPEA's Human Rights Policy is also always available to public on Group's website at [www.ilpea.com](http://www.ilpea.com)

## 6. WHISTLEBLOWING PROCEDURE

Ilpea has set up a specific Whistleblowing Procedure (available on the ILPEA website [www.ilpea.com](http://www.ilpea.com)), approved by the Board of Directors, to ensure that all cases of suspected violations of the values and principles introduced are reported and managed in a timely and appropriate manner.

The objective of the procedure is in fact to ensure that anyone feels supported in speaking in confidence and in reporting any matters that may involve something improper, unethical or inappropriate. All reports are handled promptly, consistently, professionally and if required, anonymously. They will be taken seriously, treated as confidential and handled without fear of retaliation.

As soon as you become aware of any suspected wrongdoing the matter should be notified to one of the people here below:

- your line manager;
- your local director;
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In situations where you feel uncomfortable contacting these people, you are recommended to report the situation by clicking on the link [ilpea.report.com](http://ilpea.report.com) (the "Tool"), through which reports may be made by name or anonymously if you wish. The Supervisory Body, composed of impartial professionals properly appointed by the Board of Directors, will take care of the suspected wrongdoing.

No one else is allowed to conduct investigations or exchange information on its own.

