

## Policies for the protection of human rights

[GRI 2-23, 2-24, 3-3, 406-1, 407-1, 408-1, 409-1]

Respect for human rights represents the foundation for sustainable development, which is why Iren Group is committed, as indicated in the Sustainability Policy, to respecting all universally recognised human rights in its activities and to promoting respect for them in activities entrusted to, or conducted with, partners and stakeholders, in line with the principles of the United Nations Global Compact to which the Group adheres.

### Protection of human rights






#### Risks

- Violation of the conduct criteria of the Code of Ethics and current regulations on human rights by employees, collaborators and suppliers
- Discriminatory actions against customers and employees
- Violation of the rights of people with disabilities
- Violation of the rights of employees and contractors in the supply chain
- Negative operational, economic and reputational impacts of human rights violations



#### Opportunities

- Promoting the inalienability of people's rights throughout the value chain



#### Management methods

- Code of Ethics
- Sustainability Policy
- Organisational Model 231 and information flows to the Supervisory Bodies
- Contractual clauses with suppliers on social criteria
- National Collective Agreements
- Service charters
- Removal of architectural barriers in Group buildings
- Accessibility of services for people with disabilities
- Whistleblowing procedure

Iren considers the UN Universal Declaration of Human Rights, the Conventions and Recommendations of the International Labour Organization (ILO) as indispensable, as well as the Earth Charter drawn up by the Earth Council. Furthermore, the principles and policies adopted by Iren Group refer to as expressed in the Sustainability Policy, in the Code of Ethics, in the 231 Models and are aligned with the OECD Guidelines intended for multinational companies, signed by the Italian State.

The Group condemns any kind of discrimination and places the care, respect and dignity of people at the centre of its growth and the sustainable development of its communities and territory. The suppliers' system is managed with same principles and is also constantly monitored on these aspects.

The Group operates in Italy where, starting from the fundamental principles of the Constitution of the Republic, an articulated system of rules helps to prevent the risk of violation of human rights; without prejudice to this, Iren Group, in its Sustainability Policy and in its Code of Ethics, assumes as central respect for human rights, the dignity of people and the condemnation of any discrimination - trade union, political, religious, racial, language or gender -, with the promotion of an inclusive culture at every level. These principles translate into the rejection of all forms of forced labour or employment of irregular staff, of negotiations or assignments that might violate or contradict the fundamental principles underlying the respect for human dignity, and in our commitment to not collaborate with partners that violate these principles. The translation of these principles into commitments and policies is highlighted below.

## EMPLOYEES AND COLLABORATORS

The Group recognises that human assets constitute a factor of fundamental importance for its development and that respect for human resources and their valorisation are a primary value. For this reason, the Group undertakes, as expressly provided for in the Sustainability Policy, to implement all initiatives that allow it to enhance and increase the skills, creativity and active participation of personnel, to increase their motivation and encourage their growth and professional fulfillment, with the aim of respecting, protecting and promoting human rights and fundamental freedoms for all.

Below are the human rights principles that Iren Group pursues in its relations with its employees and collaborators, requiring them to respect them, in order to foster the construction of a working environment inspired by collaboration, trust and mutual respect.

### Protecting the health and safety of workers

Iren recognises the health and safety of workers as a priority objective, to be maintained on a daily basis with a company policy oriented towards making the necessary investments (this principle is expressly set out in the Code of Ethics, the Sustainability Policy, the Organisational Model 231 and the Integrated Management System Policy)

» [SEE PAGE 317.](#)

### Combating forced labour and child labour

Iren Group, as expressly explained in the Code of Ethics and in the Sustainability Policy, rejects any form of forced labour and does not tolerate violations of human rights, nor the use of irregular personnel. Personnel who work in the Group are hired with a regular employment contract and any form of irregular work is not tolerated. The Group therefore excludes the use of child or forced labour and is committed to promoting its effective elimination also along its supply chain.

### Right to freedom of association: trade union freedoms and freedom of association in employee representative bodies

Iren Group guarantees, as set out in the Sustainability Policy, freedom of association and the effective recognition of the right to collective bargaining, sharing with the Trade Unions (OO.SS.) a system of industrial relations based on constant and constructive confrontation. To this end, the Group and Trade Unions have signed a Group Industrial Relations Protocol, which dictates the rules that govern relations between the Parties. This has led to a model being put in place based on the sharing of business decisions, which aims to optimise people who, in order to enable

<sup>(4)</sup>With particular reference to the following ILO Conventions: C1 - Hours of Work (Industry), C29 - Forced Labour, C87 - Freedom of Association and Protection of the Right to Organise, C95 - Protection of Wages, C98 - Right to Organise and Collective Bargaining, C100 - Equal Remuneration, C102 - Social Security (Minimum Standards), C103/183 - Maternity Protection, C105 - Abolition of Forced Labour, C111 - Discrimination (Employment and Occupation), C115 - Radiation Protection, C118 - Equality of Treatment (Social Security), C120 - Hygiene (Commerce and Offices), C122 - Employment Policy, C130 - Medical Care and Sickness Benefits, C131 - Minimum Wage Fixing, C132 - Holidays with Pay, C135 - Workers' Representatives, C138 - Minimum Age, C142 - Human Resources Development, C148 - Working Environment (Air Pollution, Noise and Vibration), C154 - Collective Bargaining, C155 - Occupational Safety and Health, C158 - Termination of Employment, C159 - Vocational Rehabilitation and Employment (Disabled Persons), C162 - Asbestos, C170 - Chemicals, C171 - Night Work, C174 - Prevention of Major Industrial Accidents, C175 - Part-Time Work, C182 - Worst Forms of Child Labour, C187 - Promotional Framework for Occupational Safety and Health, C190 - Violence and Harassment. With reference also, to the extent applicable, to the United Nations Declaration on the Rights of Indigenous Peoples.

healthy development, must be involved and grow in step with the entire organisation. The shared decisions lead to a sense of belonging and, at the same time, place the employee centre stage. The Protocol sets out the methods for approaching industrial relations based on three pillars: bargaining, participation and rules [» SEE PAGE 324](#).

### **Right to adequate working conditions**

The Group undertakes to require work in compliance with the provisions of the law and collective bargaining in force in terms of working hours and days worked, and to guarantee adequate rest and fair remuneration to all employees. For all employees, the Group adopts national collective labour agreements that guarantee the application of the contractual wages for all. The remuneration policy, within the context of defined budget guidelines, is always based on performance and skills evaluation, taking into account, however, the remuneration package of the people holding the evaluated positions [» SEE PAGE 304](#). In any case, any form of discrimination is avoided by the continuous implementation of retraining initiatives in the event that personnel are unfit for previous responsibilities. The Group's management policy also promotes and supports a proper work-life balance [» SEE PAGE 307](#).

### **Respect for diversity, non-discrimination and equal opportunities**

Valuing diversity and inclusion are a priority commitment for the Group in order to build a working environment in which all people can feel comfortable and contribute to the achievement of the company's objectives, with their own personal characteristics. To this end, the Group has also defined its own Diversity and Inclusion Policy, aimed on the one hand at formalising the principles on which it is based and the ways in which each company initiative on diversity and inclusion is articulated, and on the other at raising awareness on the subject among all personnel, in order to identify lines of action to promote inclusion. Said Policy also confirms the Group's commitment, already defined in the Sustainability Policy and in the Code of Ethics, to upholding respect for the dignity of people and avoiding any discrimination, direct or indirect, based on any kind of diversity, acknowledging the absolute value of the fundamental principles of the Constitution of the Italian Republic. Within the framework of diversity and inclusion policies and initiatives, the Group's commitment to promoting an organisational culture attentive to the valorisation of its resources is also confirmed by its adherence to various initiatives illustrated in this document [» SEE PAGE 312](#).

### **Combating harassment and working conditions that may cause discomfort and stress**

The Group does not tolerate any form of violence, harassment and bullying and is committed to taking all appropriate measures to prevent and counter them. In this regard, the Group has formalised the Policy on Dealing with Violence, Harassment and Bullying in the Workplace. The Policy – inspired by the Universal Declaration of Human Rights, the Convention of the International Labour Organisation (ILO) no. 190 on the elimination of violence and harassment in the workplace, the Sustainability Policy and the Code of Ethics - outlines the Group's commitment to supporting a safe, respectful and participatory work environment, inspired by principles of correctness, freedom and dignity in professional relationships, free of any form of harassment, sexually inappropriate behaviour and bullying. The purpose of the Policy is to prevent, identify, constantly monitor and avert said phenomena, as well as to provide support to people who report them, protecting them from any retaliatory act.

### **Right to privacy of personal and sensitive data**

Iren Group respects the right to confidentiality and privacy of its employees and collaborators, and is committed, in line with the provisions of the Sustainability Policy and the Code of Ethics, to the correct use of personal data and information provided to it. In particular, it undertakes to process personal data and information in respect of fundamental liberties and rights, and the dignity of data subjects, with specific reference to the confidentiality, personal identity, and protection of personal data. To this end, the Group has adopted a personal data organisation and management model aimed at protecting the data subject and ensuring the correct application of data protection legislation [» SEE PAGE 89](#).

All the above principles are the subject of the training activity addressed to employees on the Code of Ethics, which involved 370 people in 2023.

## SUPPLY CHAIN

Respect for human rights has always been, for Iren Group, an indispensable prerequisite for correct business activity, which also translates into the supplier management system, with the commitment not to collaborate with partners who violate the fundamental principles underlying respect for human dignity.

In particular, the Group, in accordance with the provisions of the Procurement Code on the exploitation of labour (Legislative Decree 20/2014 art. 80 paragraph 1), applies the regulations both in public tenders and in those outside the Code and requires suppliers to expressly accept the Code of Ethics as a condition for admission to tenders and as a condition for the effectiveness of contracts.

### **In addition, the Group has defined specific contractual clauses concerning compliance with social standards on human rights and working conditions along the supply chain defined by:**

- the eight fundamental Conventions of the International Labour Organisation (ILO): 29 on forced and compulsory labour, 87 on trade union freedom and the protection of the right to union, 98 on the right to organise and collective bargaining, 100 on equal pay, 105 on the abolition of forced labour, 111 on discrimination in employment and occupations, 138 on minimum age and 182 on the prohibition of the worst forms of child labour;
- ILO Convention 155 on health and safety at work;
- ILO Convention 131 on the definition of minimum wages;
- ILO Convention 1 on working time (industry);
- ILO Convention 102 on social security (minimum standard);
- the Universal Declaration of Human Rights;
- article 32 of the UN Convention on the Rights of the Child;
- national legislation, in force in the countries where the supply chain stages take place, concerning health and safety in the workplace, as well as labour legislation, including legislation on wages, working hours and social security (social security and assistance).

When the above-mentioned national laws and social standards refer to the same subject matter, the supplier must guarantee compliance with the higher standard.

### **In order to enable the Group to monitor compliance with these standards, the supplier is required to:**

- inform suppliers and sub-suppliers involved in the contract supply chain that the Group has required compliance with the above-mentioned standards in the contract performance conditions;
- provide, at the Group's request and within the time limit set out in the request, information and documentation concerning compliance with standards and references of suppliers and sub-suppliers involved in the supply chain;
- accept and have their suppliers and sub-suppliers accept any audits relating to compliance with the standards, conducted by the Group or by parties indicated and specifically appointed for the purpose by the Group;
- undertake, or have suppliers and sub-suppliers involved in the supply chain undertake, any appropriate corrective actions, including contractual renegotiations, within the deadlines set by the Group, in the event that a contractual breach arises concerning non-compliance with minimum social standards along the supply chain;
- demonstrate, through appropriate documentation provided to the Group, that the clauses are complied with, and document the outcome of any corrective action taken.

Violation of these clauses may lead to the application of the contractually agreed penalty, without prejudice to the Group's right to terminate the contract.

Also in 2023, the annual analysis was carried out on suppliers through a questionnaire to ascertain the human rights policies adopted by companies that hold active contracts with the Group [» SEE PAGE 337](#).

**Of the 1,101 supplier companies that responded (31% of the total), 35% have human rights policies in place that fall, in order of priority, into the following areas:**

- equal opportunities and equal treatment irrespective of race, colour, gender, language, religion, nationality, political opinion, sexual orientation, social status, disability, age or other condition of the individual that is not connected to the requirements for carrying out their job;
- formal reporting systems that allow workers to report human rights breaches, ensuring the protection of the reporting party's identity;
- training to raise awareness and prevent discrimination;
- checking of the age of employees during the hiring process, including by recruitment companies;
- formalised control systems to ensure that the company does not ask its employees to deposit money/credit cards and does not collect and keep identity documents during the hiring phase;
- mapping of human rights risks.

Furthermore, 20% of suppliers who responded to the questionnaire stated that there is an employee within their organisation who is officially responsible for human rights issues. Finally, 99.8% of the responding suppliers have not been the subject of human rights complaints or legal action for discriminatory practices.

This survey is repeated annually to maintain constant monitoring of the supply chain.

## CUSTOMERS AND COMMUNITIES

The Group's Code of Ethics states that anyone, in any capacity, working for Iren must respect people's dignity, treat them fairly and avoid any discrimination, and that all Group employees and collaborators are required to treat customers with respect and courtesy.

For this reason, respect for human rights is central to the Sustainability Policy and is part of constant dialogue with stakeholders (through the Local Committees) and the Group's commitments are also recalled in the Service Charters adopted, which - in addition to providing for continuity, efficiency, effectiveness of service and respect for the environment and the protection of citizens' health and safety - are based on the principles of:

- respect for equal rights of citizens/customers and non-discrimination in service delivery;
- equal treatment in the performance of the service between different categories or groups of customers/citizens, within the limits made possible by the technical and functional characteristics of the managed infrastructure system;
- particular attention in service provision is paid to people with disabilities, the elderly and members of weaker social groups;
- universal access to water, as a guarantee to all users of the quantity of water necessary to satisfy their basic needs » SEE PAGE 275;
- collaboration with local and regional governments to ensure access to energy for vulnerable customers;
- obligation to inspire its conduct towards citizens/customers with criteria of objectivity, justice and impartiality;
- respect and courtesy, through behaviour, manners and language appropriate to the purpose;
- facilitating the citizen/customer in exercising their rights and fulfilling their obligations;
- citizen/customer participation in the provision of the service, both to safeguard the right to proper provision and to foster cooperation, including by periodically acquiring the users' assessment of the quality of the service provided and making available to them appropriate channels for communicating suggestions and complaints;
- clarity and comprehensibility of messages with the utmost care in the use of simple, immediately comprehensible language;
- accessibility of information by foreign citizens/customers, as much as possible;
- processing of personal data in compliance with the relevant provisions in force.

To help translate these principles into practice, Iren Group's counters/stores have queue-elimination systems dedicated to the elderly, pregnant women and the disabled, stations dedicated to welcoming people with disabilities and multilingual operators to facilitate communication with foreign citizens and customers.

Also in 2023, initiatives were implemented to promote the accessibility and use of services, with particular regard to people with disabilities, the weakest categories and foreign-speaking citizens. The Iren Ambiente app was developed to allow citizens to access the environmental services offered, also in English. To support the economically weaker sections of the population also for the 2023/2024 thermal season, the Group has confirmed the district heating bonus, using its own economic resources to recognise a discount on the invoice for families who meet the requirements » SEE PAGE 280.