

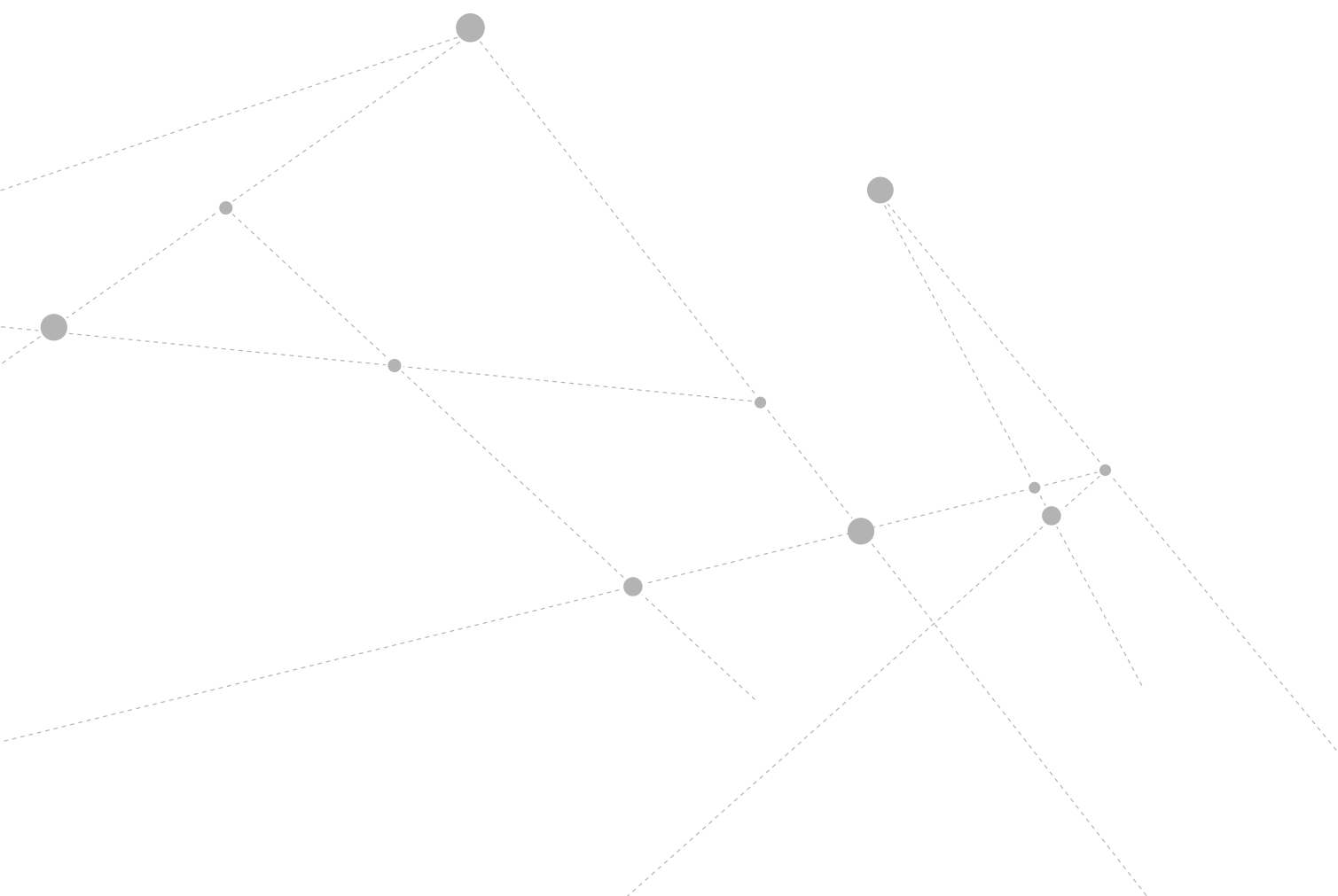


**POLICY ON HUMAN RIGHTS -
COMMITMENT FOR THE
RESPECT OF HUMAN RIGHTS
AND DIVERSITY**

FINCANTIERI

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COMMITMENT

The defense of human rights is an essential value for Fincantieri Group (following also Fincantieri, Group or Company) and it is a cornerstone of the company culture and strategy. Human rights defense is a priority to the entire organization. Therefore, Fincantieri is deeply engaged with spreading the awareness of the principles expressed in this Policy across its organization.

Such strong commitment is reflected in the Code of Conduct, the Charter of Sustainability Commitments and the Sustainability Plan, in which Human Rights are one of the most important issues.

With this Policy, Fincantieri ultimately intends to enhance its commitment towards the human rights defense. It also guarantees that all the initiatives align with the commonly accepted standards on the matter.

This Policy embraces international conventions, such as the International Bill of Human Rights including the United Nations Universal Declaration on Human Rights, and the fundamental Conventions of the International Labor Organization (ILO).





The Group hence commits to meet each and every provision included in all of the mentioned Conventions.

Furthermore, Fincantieri has also decided to embrace the ten Global Compact principles set out by the United Nations and to join the United Nations' call to action on 2030 Agenda for Sustainable Development by committing to the UN's Sustainable Development Goals (SDGs)¹.

Nonetheless, Fincantieri commits to the guidelines of the Organization for Economic Co-Operation and Development (OECD) for Multinational Enterprises.

The ILO Convention

Fincantieri Group is committed to respecting the four ILO core labour standards, as set out in the Declaration on Fundamental Principles and Rights at Work:

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- Freedom of association and the effective recognition of the right to collective bargaining 
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- The elimination of all forms of forced or compulsory labour 
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- The effective abolition of child labour 
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- The elimination of discrimination in respect of employment and occupation 
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¹ The 2030 Agenda for Sustainable Development and its 17 Sustainable Development Goals form an action program for people, the planet, and prosperity signed in September 2015 by the governments of the 193 UN member countries to meet three key objectives by 2030: end extreme poverty, fight inequality and injustice, and limit climate change. Universal, inclusive, and indivisible, the UN agenda calls for action by all countries, companies, and individuals to improve the lives of people everywhere.

PURPOSE AND SCOPE

Fincantieri is committed to adopt and share the human rights principles set out in this Policy and in the other related documents, such as, among others, the Group Code of Conduct, the Sustainability Report and other specific policies adopted by the Group.

This document represents Fincantieri’s public commitment toward the defense of human rights as defined in the *Guiding Principles on Business and Human Rights: Implementing the United Nations ‘Protect, Respect and Remedy’ Framework*².

With this Policy, the Company confirms the values and guidelines that should inspire every worker’s choice and behavior in Fincantieri and its affiliates, in any geography, notwithstanding their job level, experience, and role.

The values of the Group **People, Safety, Integrity and Customer Focus** match with those reported in this Policy.



A highly skilled workforce together with highest standards of process represent a core asset for the success of the Group and are key factors in the complex value chain of Fincantieri. Stressing the importance of human rights, especially in the workplace, witnesses to how people are key to each process and economic and commercial relation of the Group.

In addition, the Group encourages all its suppliers³ to adopt and comply with this Policy, as far as it is reasonably achievable.

² The UN Guiding Principles on Business and Human Rights are a set of guidelines for States and companies to prevent, address and remedy human rights abuses committed in business operations. They are grounded in recognition of:

- a) States’ existing obligations to respect, protect and fulfil human rights and fundamental freedoms;
- b) The role of business enterprises as specialized organs of society performing specialized functions, required to comply with all applicable laws and to respect human rights;
- c) The need for rights and obligations to be matched to appropriate and effective remedies when breached.

These Guiding Principles apply to all States and to all business enterprises, both transnational and others, regardless of their size, sector, location, ownership and structure.

³ For further information, please see the Suppliers’ Code of Ethics.

PRINCIPLES



Forced labor and child labor



Fincantieri rejects the use of any form of forced or compulsory labor and guarantees that working conditions are in compliance with applicable laws and regulations. The working activity during ordinary worktime and overtime is the free expression of workers' willingness⁴ and without any form of physical and/or psychological coercion.

Fincantieri says no to the use of child labor and of workers under the minimum legal age⁵, in compliance with the laws and regulations applicable in the Countries involved.



Freedom of association and collective bargaining

Fincantieri grants freedom of association to all its employees for the defense and promotion of their own stakes. In addition, the Group recognizes to its employees the right to be represented by trade union bodies or by other representatives according to the laws and best practices in force in the Country where they are employed⁶.

Collective negotiation is the preferred source of the rules and contractual terms applicable to employment and it also regulates the relations between the Company and the trade unions.

Moreover, in Fincantieri the employee representatives must not in any way be penalized or subjected to retaliation.



Conditions of employment and work

Fincantieri believes that compensation, benefits and working conditions should always aim at ensuring an adequate living standard for all workers. For this reason, the Group promotes a working condition in which all employees are fairly and equitably remunerated, in accordance with the type of work, legal arrangement and the Country where they work⁷.

In Fincantieri the minimum compensation received is not lower than the minimum salary set by the collective labor contracts and by law regulations in force in each Country where the Group operates.

⁴ As defined by the fundamental ILO Convention no. 29 on Forced Labour and no. 105 on the Abolition of Forced Labour.

⁵ As defined by the fundamental ILO Convention no. 138 on Minimum Age and no. 182 on Worst Forms of Child Labour.

⁶ As defined by the fundamental ILO Convention no. 87 on Freedom of Association and Protection of the Right to Organise, no. 98 on Right to Organise and Collective Bargaining and no. 135 on Workers' Representatives.

⁷ As defined by the fundamental ILO Convention no. 100 on Equal Remuneration and no. 131 Minimum Wage Fixing.



Health and Safety at work

For Fincantieri Group, the protection of fundamental human rights is essential in any form of social interactions. Firstly, by granting the right to work in the proper conditions to ensure health and safety of the workers. The Group, as reported in the policy on health and safety on the workplace, is committed to ensure a healthy and safe working environment and to promote the diffusion and the consolidation of a health and safety culture across all workers, also along the supply chain.

Fincantieri is committed to ensure that all operations are planned and executed with the aim of preserving the health and safety of workers and to guarantee the best level of safety and health.



Rights of local communities

Fincantieri commits to respect the local communities' rights in the Countries in which it operates and to reduce the social and environmental impact of the activities carried out in the production sites. The Group contributes to the social and economic development of the community and commits to bring about behaviors respectful of the contexts in which it operates and practicing a positive influence over the local area. Fincantieri is committed to build a solid cooperative relationship with its stakeholders to create long-term value and opportunities for growth and development⁸, to promote an open and transparent dialogue and local relations based on mutual trust.

⁸ For further information, please see the Policy on Fincantieri Group initiatives for the community and territory.

DIVERSITY AND INCLUSION

Non-Discrimination and Equal Opportunities

Fincantieri refuses every form of discrimination based on ethnicity, color, gender, age, disability, sexual orientation, religion, political opinion, nationality and social origin. Fincantieri is committed to maintain a work environment free from any sort of violence or harassment.*

(*) As defined by the fundamental ILO Convention no. 111 on Discrimination (Employment and Occupation).

Fincantieri values diversity as a strategic factor for company competitive advantage and people development. The Group believes that building diverse teams by skill-sets, experiences and mindset would improve the working environment and increase creativity, thus creating an open company culture and a more effective leadership style.

Non-discrimination, Equal Opportunity and Inclusion permeate Fincantieri's values.

For the above reasons Fincantieri is committed to:

- creating an **inclusive work environment** that ensures respect, integrity, personal development and equal opportunities (e.g. training, development, career) for employees and potential employees.
- increasing employees' **awareness on diversity and equal opportunities** within the Group, also through the development of training programs and specific projects on diversity and inclusion.
- fully complying with all the **legislation associated with diversity and inclusion**, other appropriate legal frameworks and existing best practices for the geographies where Fincantieri operates.
- promoting the commitment to **act with respect and integrity** from all the employees in dealing with peers, colleagues, customers, suppliers and everyone else they may come in contact with at work.
- encouraging **supplier's** attention to the respect of human dignity in terms of non-discrimination and respect of diversity.

IMPLEMENTATION AND MONITORING

The case of Vietnam

Fincantieri also operates in countries like Vietnam, where human rights might be more at risk. The Vietnamese shipyard has been certified in compliance with SA 8000.

The model guarantees a virtuous process aimed at ensuring the continuous respect of human rights.

The Group is committed to spread out the content of this Policy also through training programs and specific events and to monitor its effective implementation.

To guarantee consistent behaviors within the Group, Fincantieri will progressively adopt adequate tools in the local environments and geographies where it operates.

In order to implement and monitor the commitment expressed in this Policy, as well as to optimize the effectiveness of the actions of mitigation and prevention of negative impacts, the Group will adopt mechanisms for monitoring the areas of potential risk.

Fincantieri commits to adopting a Suppliers' Code of Ethics, to promote sharing and respect of the core human rights principles, also within its supply chain.

The Policy is available on the company intranet and on Fincantieri's website in order to be accessible to all its stakeholders.



Grievance mechanisms

Fincantieri makes its whistleblowing platform available also for reporting any violations concerning human rights. The platform, which is suitable for ensuring the confidentiality of the sources and information acquired, unless the law otherwise requires, is accessible both on the company intranet and on Fincantieri's web site to all its stakeholders. Reports may also be sent by ordinary mail at the following address: Fincantieri S.p.A. c/o CO-AUD, Via Genova 1, 34121, Trieste – exclusive attention OdV (Supervisory Committee).

The Group guarantees that every report or complaint sent through the above procedures will be taken into consideration.

RESPONSIBILITIES AND REVIEW

Fincantieri will be responsible for the monitoring and the control of the “Policy on Human Rights – Commitment for the respect of human rights and diversity”.

This Policy will be subject to periodic revision and approval by the Sustainability Committee. Besides, it will be adapted to any changes in the external context in order to secure its appropriateness and actual implementation.

The Policy and the following revisions will have to be approved by the Board of Directors of Fincantieri S.p.A.