

Human Rights Policy



INDEX

PREMISE	1
1. RECIPIENTS	2
2. PURPOSE AND SCOPE	2
3. REFERENCES	5
4. DESCRIPTION OF THE PROCESS AND RESPONSIBILITIES	6
5. ATTACHMENTS	8

PREMISE

We believe that respect for Human Rights is the foundation for Liberty, Justice and Peace¹ and our commitment to Human Rights is stated in our Code of Ethics and Conduct and in all our relevant policies, such as the policies on our people, *Corporate Shared Value* in Telecom Italia, our suppliers (*Suppliers Policy in the Purchasing Process of Telecom Italia Group*) and on our customers, in particular the vulnerable ones (e.g., *Guidelines for the definition of cases of child pornography at Telecom Italia*).

We are a signatory of the UN Global Compact², and we support, and encourage our partners to endorse:

- the Universal Declaration of Human Rights and the International Covenants on Civil and Political Rights as well as on Economic, Social and cultural Rights (the so-called "UN International Bill of Human Rights");
- the International Labor Organization (ILO)'s Declaration on Fundamental Principles and Rights at Work;
- the Guiding Principles on Business and Human Rights approved by the UN Council on Human Rights in June 2011;
- the OECD, Guidelines for Multinational Enterprises, 2011;
- the ISO 26000 Guidelines for private and public organizations of all sizes.

In the belief that a responsible Enterprise should be an advocate of Human Rights both inside and outside its own boundaries, **we are committed to be a proactive leader** in international as well as local Human Rights initiatives and networks, at the inter-sectorial and at the sectorial level. In particular, we are one of the founders and active participant in the Italian and Brazilian Global Compact Networks and in the Joint Audit Cooperation (JAC), an industry initiative with the common objective of raising Human Rights (social, environmental and ethical) standards within the ICT supply chain³. Moreover, we run projects with ONGs working in defense of Human Rights and we actively

¹ Amnesty International, Italian Chapter, "Dichiarazione Universale dei Diritti Umani".

² All 192 Governments of United Nations have endorsed the Global Compact; at the end of July 2015, the business participants were about more than 8.300 (on a worldwide basis).

³ Set up in January 2010, JAC is made up of ten telecom operators (Belgacom, Deutsche Telekom, KPN, Orange, Swisscom, Telecom Italia, Telenor, Telia Sonera, Verizon, Vodafone). Audits are conducted by a subcontractor and are based on the criteria defined by the JAC members, following the recognized standards such as SA 8000 and ISO 18000 and 14000. The topics addressed are: child labour and juvenile workers, forced labor, health & safety in the workplace, freedom of association, discrimination, disciplinary practices, working hours, wages and compensation, environment and business ethics.

advocate Human Rights in the relevant National and Supra-national Institutions and Organizations (e.g. the project Italy-Brazil "Educate new global citizens", implemented by Oxfam Italia⁴).

In our global "value chain", **our challenge is to become one of the promoters of the Human Rights**, with the commitment to avoid any kind of Human Rights abuses through:

- respecting, supporting and promoting all internationally recognized Human Rights. We do not infringe on Human Rights as such, even where national law and regulations are not sufficient or are absent;
- adopting an extended Human Rights meaning, exceeding Human Rights "basic", in line with our business activities;
- encouraging our partners to become themselves supporter of Human Rights;
- addressing adverse Human Rights impacts that we could cause or contribute to cause, through legitimate processes;
- providing grievance mechanisms, to be used in case of violation.

This challenge will be faced also by trying to bridge any gap produced by new technologies which, frequently, are faster than laws.

1. RECIPIENTS

The document is addressed to all employees and business functions of companies of Telecom Italy.

2. PURPOSE AND SCOPE

The purpose of this policy is to make respect for Human Rights an essential requirement in the conduct of operations of Telecom Italia.

Concerning our operations, both at home and in our foreign subsidiaries, we

⁴ The project contributed to the formation of a global citizenship, increasing the awareness of young people on the interdependence of issues that affect our daily lives, such as the technological justice and the environment. The approach used in the analysis was based on the Social Return on Investment (SROI), a methodology measurement of the social impact of activities, projects or programs, which assigns a monetary value to the change generated.

have put in place processes by which we undertake to respect the Human Rights and we have identified the Human Rights which might be adversely affected by our activities, whether directly or indirectly⁵:

- ✓ basic Human Rights (e.g., working hours, fair wages, minimum-age provision⁶, workplace conditions, accessibility for people with disabilities, maternity protection, no harassment, forced/bonded/compulsory labor, no human trafficking) of:
 - the Group's human resources;
 - the Suppliers' human resources;

- ✓ rights concerning the health and safety (we consider high standard of safety and health to be a milestone of our successful and our goal is to minimize injuries and occupational illnesses) of:
 - the Group's human resources;
 - the suppliers' human resources;

- ✓ rights concerning those subjects which are agreed on with the trade unions and settled in the National Labor Agreements. Telecom Italia Group employees are free to join Unions of their choice representing them consistent with internationally recognized standards, as the ILO ones. Employees who act as representatives are neither disadvantaged nor favored in any way.

- ✓ rights concerning diversity, equality and non-discrimination. We:
 - respect each individual's Human Rights and do not discriminate on the basis of religion, age, sex, sexual orientation or gender identity, political opinion, social status and origin, race or ethnicity, color, language, physical or mental disability;
 - treat all employees fairly and honestly regardless of their work.

The above-mentioned rights involve any third party entering in business with Telecom Italia. (i.e. partners)

⁵ The above list is subject to revision whenever geographical, business or technological scenarios change, as well as in view of continuous improvement.

⁶ Telecom Italia condemns all forms of exploitation of children and juvenile, and works to raise awareness concerning such exploitation and cooperates with law enforcement authorities to address any such instances of exploitation of which it becomes aware.

Our internal processes, in assessing Human Rights, also consider a series of individual rights on which affects our core-business, as follows:

- rights concerning access to telecommunications services and innovation (e.g., digital inclusion, both social and geographical). We consider the needs of people when we develop services and products;
- rights concerning the privacy of the Group's human resources and customers as well as their security. We have applied an organizational model, since 2003, which includes a Privacy Function supervising correct application of the relevant regulations;
- rights concerning freedom of expression, supported by access to telecommunication technology;
- rights concerning a zero tolerance approach to any form of bribery;
- rights concerning value added services (among which adult content and gambling services). We have numerous initiatives to protect children from content that may harm their psychological and physical development (e.g., content that is violent, racist, offensive to religious sentiment, pornography, etc.)⁷;
- rights concerning children and juvenile protection from cyber bullying or harassment;
- rights concerning responsible advertising;
- rights concerning the protection of environment (in particular electromagnetic fields, EMFs);
- rights concerning the Communities in which Telecom Italia carries out its operations, with a particular attention to vulnerable groups of people;
- rights concerning the use of armed security, according to the highest international standards or practice and with the widest transparency possible (rights to life and security of people based on UN guidelines and conventions).

⁷ Content offered directly by Group companies and content owned by third parties offering their own services on space acquired within Telecom Italia's portals.

3. REFERENCES

The internal references are the following:

- Organizational model pursuant to Legislative Decree 231 of the Telecom Italia Group (including the Code of Ethics and of Conduct)
- [Social Responsibility in Telecom Italia Group \(Document summarising the Group's policies concerning social issues\)](#),
- Operational Procedures of Purchase (code 2010-00068),
- [Suppliers Policy in the Purchasing Process of Telecom Italia Group](#),
- [Charters of services](#) (e.g., General Terms for access to basic telephone service),
- [Policies concerning Value Added Services of mobile telephony](#) (e.g., SMS/MMS, Internet) and protection of minors (*Code of Conduct for the Offer of Services to premium and the Protection of Minors*; Guidelines for the definition of cases of child pornography at Telecom Italia: code 2008-00035),
- Telecom Italia Group Anti-corruption Policy,
- [Guidelines concerning stakeholder engagement in Telecom Italia](#),
- Procedure concerning the management of conflict of interest in the Group Telecom Italia (code 2013-00154),
- Telecom Italia Group Policy on Business Process Management (code 2014-00151).

External references to Group Telecom Italia are as follows:

- *UN Universal Declaration of Human Rights, 1948,*
- *UN International Covenant on Civil and Political Rights, 1976,*
- *UN International Covenant on Economic, Social and cultural Rights, 1976,*
- *UN Human Rights Council, Guiding Principles on Business and Human Rights: Implementing the United Nations "Protect, Respect and Remedy" Framework, A/HRC/17/31, 2011,*

- UN Global Compact Office and Office of the United Nations High Commissioner for Human Rights, *A Guide for Business: How to Develop a Human Rights Policy* (2011 and 2015),
- UNICEF and The Danish Institute for Human Rights, *Children's Rights in Impact Assessments*, December 2013,
- International Labor Organization, *Declaration on Fundamental Principles and Rights at Work*, 1998,
- International Labor Organization, Conventions 14, 29, 30, 87, 98, 100, 105, 111, 135, 138, 144, 155, 161, 171, 175, 182, 183,
- International Labor Organization Tripartite Declaration of Principles concerning Multinational Enterprises and Social policy,
- Amnesty International – italian chapter, *Dichiarazione Universale dei Diritti Umani*,
- CSR Europe *Assessing the effectiveness of company grievance mechanisms*, 2013,
- European Commission, *ICT Sector Guide on Implementing the UN Guiding Principles on Business and Human Rights*, 2013,
- OECD, *Guidelines for Multinational Enterprises*, 2011;
- Charter for Equal Opportunities and Equality at Work, signed by Telecom Italia in 2010.

4. DESCRIPTION OF THE PROCESS AND RESPONSIBILITIES

All activities reported in the paragraph 2) "Purpose and Scope" of this policy are subject to a periodical internal due diligence, carried out according to the *Guiding Principles on Business and Human Rights* approved by the UN Council on Human Rights in June 2011⁸. The whole process of due diligence is coordinated by the Corporate Shared Value Department, which invites some functions and companies of the Telecom Italia Group to fill in a self-assessment questionnaire (see attached, reflecting the Guiding Principles)⁹, after providing adequate explanation on content and purpose.

⁸ The next one will be carried out considering also the GRI (Global Reporting Initiative)-G4 standard guidelines (comprehensive option).

⁹ The tool used by Telecom Italia for its Human Rights due diligence is called "Organisational Capacity Assessment Instrument" and it has been developed by the German Global Compact Network and TwentyFifty Ltd.

Among the objectives of the due diligence we have to highlight:

- the identification and mapping of risks on Human Rights arising from Telecom Italia Group operations;
- the ensuring that every issue is governed by a specific internal regulatory framework (i.e., policies, procedures), has a management system that monitors and tracks the performance on a regular basis (if possible using appropriate indicators, such as those relating to health and safety), has its assigned responsibilities;
- the definition of a step-wise improvement path which, starting from mere compliance with local laws, heads towards sharing policies and processes concerning Human Rights with relevant stakeholders through specific actions of their involvement.

Moreover, if from the self-assessment process should emerge a potentially hazardous situation with reference to the Human Rights object, the Department involved is required to communicate its action plan to the *Corporate Shared Value Department*, which will monitor the working progress.

In order to ensure maximum transparency, the results of the due diligence as well as the social audits on Human Rights of Telecom Italia's suppliers are reported either in the Company's Sustainability Report and in the Company's web site, section sustainability.

An unfiltered and anonymous grievance mechanism, in accordance with the Company procedures, is available at <http://www.telecomitalia.com/tit/en/sustainability/our-approach/codes-policies/reports-penalties.html> .

We guarantee that any report or complaint sent through such procedures will be taken in careful consideration¹⁰.

The Chairman of the Group Telecom Italia has approved the principles set out in this document.

¹⁰ The mechanism is legitimate, accessible, predictable, equitable, transparent, rights-compatible, source of continuous learning, based on engagement and dialogue, as of the *UN's Guiding Principles on Business and Human Rights*.

The People Value Department is responsible for the observance of this document for what concerns the involvement of Telecom Italia Group's People, the Purchasing Department is in charge for its observance regarding the involvement of suppliers of Telecom Italia, the Compliance Department oversees the risk of non-compliance with the related set of rules, the Corporate Shared Value Department is responsible for its updating (every two years or less, in case of national or international developments), involving stakeholders, and for the coordination of the process of due diligence on Human Rights (as reported in this policy).

This document was communicated to the Suppliers, Partners and People of the Telecom Italia Group, and has been discussed in the context of German and Italian Networks of the Global Compact.

All Telecom Italia Departments are invited to explicitly recall this policy (and the Human Rights) in their own operational policies, procedures and management systems (e.g., for what concerns the environment, health & safety, no discrimination).

Telecom Italia Group has set up a Point of Contact for Human Rights at corporate level (in Corporate Shared Value Department) which takes care of eventual internal and external inquiries (groupsustainability@telecomitalia.it).

We encourage all our stakeholders to provide feedback on this policy, in order to improve it. A specific training course, concerning the impacts of the Human Rights due to Telecom Italia operations, will be shortly provided to the Group employees.

5. ATTACHMENTS

OCAI Questionnaire