

COMPLIANCE WITH SOCIAL STANDARDS

- 1) The goods/services/works governed by the contract shall be produced and supplied/installed and performed in compliance with minimum social standards regarding human rights and labour conditions throughout the supply chain, as defined by national laws in the countries where the different phases of the supply chain are performed, and in any case in compliance with the Fundamental Conventions established by the International Labour Organization and the General Assembly of the United Nations.
- 2) In order to allow monitoring, by the Customer, of compliance with the aforementioned standards, the Contractor shall:
 - a. inform suppliers and sub-contracted suppliers involved in the supply chain of the goods governed by this contract that the Customer has requested compliance with the aforementioned standards in the conditions for execution of the contract
 - b. provide, on request of the Customer and within the deadline established in such request, information and documentation regarding management of activities regarding compliance with standards and references of suppliers and sub-contracted suppliers involved in the supply chain
 - c. accept and ensure acceptance by its own suppliers and sub-contracted suppliers any inspections regarding compliance with the standards, conducted by the Customer or by parties indicated and specifically appointed for this purpose by the Customer
 - d. apply and ensure application by suppliers and sub-contractor suppliers involved in the supply chain of any appropriate corrective actions, including any renegotiation of contracts, within the terms established by the Customer, in the event that a breach of contract is identified from information in its possession regarding non-compliance with minimum social standards throughout the supply chain
 - e. demonstrate, via appropriate documentation provided to the Customer, that the clauses have been observed and document the outcome of any corrective actions adopted.
- 3) For the purposes of monitoring as outlined above, the Customer may request that the contractor fills out questionnaires in compliance with the framework included under Annex III to the Decree of the Italian Ministry of the Environment of 06 June 2012.
- 4) Breach of the aforementioned clauses may lead to application of the penalty defined by the contract, without prejudice to the Customers right to terminate the contract.

On completion, signing may also be required by the Contractor of the “Declaration of Compliance with Minimum Social Standards”, in line with Annex I of the Decree of the Italian Ministry of the Environment of 06 June 2012 (in Official Journal no. 159 of 10 July 2012), to be attached to the contract.