



### **VIVE 2.0 Shipping Module Guidance Issue 1.0**

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**NOTE:** Although this document may be translated into various languages for the convenience of users, the English version remains the definitive reference document in the event of any dispute.

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## **Introduction**

VIVE is a voluntary Continuous Improvement Sustainability Programme for ingredient supply chains that enables sustainability performance to be measured and improvement objectives to be set and tracked.

VIVE has been developed based on a broad experience of programmes operating within global industries reliant on agricultural products and takes into account the internationally recognised sustainability and human rights principles established by the various agencies of the United Nations.

Driving continuous improvement in sustainability performance is fundamental to the VIVE programme. To create initial impetus, VIVE's data capture includes an assessment of current performance and also projections for performance over the next two years. This facilitates the production of action plans required to deliver projected improvements and, in subsequent years, enables analysis of actual delivery versus aspirations.

The VIVE programme is designed to be able to operate along the whole supply chain from producer to industrial end-user and comprehensively covers the key sustainability areas: Environmental, Social and Economic.

VIVE is able to act as an 'umbrella' programme, benchmarked against other sustainability initiatives. This provides the potential for one VIVE assessment to meet the requirements of several programmes at once, thus reducing 'audit fatigue'.

VIVE recognises that participants will be at different stages in their sustainability improvement journey when they join the programme and similarly they, or their customers, will have different immediate sustainability priorities. The VIVE Programme is therefore designed to enable participants join the at different entry level in function of the stage of advancement of their sustainability journey, while expanding their sustainability agenda over time remaining in the VIVE programme.

Participants in the programme self-assess their sustainability status by completing an online self-assessment within the VIVE Online System. Whilst participants retain the obligation to ensure all information provided is accurate and complete (see below), participants' responses and supporting evidence will be reviewed, including through on-site third-party Independent assessments, to see whether the evidence submitted and seen reasonably supports the responses given.

The underlying operating principle of the programme's assessments is first to assess whether a governance structure for sustainability is in place, and secondly to assess whether Sustainability is being effectively implemented. For example, a positive response (within a participant's self-assessment) to a given question (e.g. the prevention of the use of forced labour) would be assessed firstly by confirming that an appropriate policy is in place, and secondly by confirming that the participant is able to produce records and practices that demonstrate that that policy is being effectively enforced.

The programme operates on a three-year improvement cycle. Reports are produced after each on-site assessment. For a summary of the rules governing the operation of the VIVE programme, participants are referred to the VIVE Programme Manual. Participants are reminded that, in taking part in the VIVE programme, they warrant that the answers and supporting evidence that they provide are an accurate reflection of the current situation. Although an independent on-site assessment is an integral part of the VIVE programme, it remains the responsibility of the participating companies to ensure, that all responses and evidence entered into the online system and otherwise provided are true, accurate, not misleading and have no material omissions.

## **The VIVE Modules**

The full VIVE programme consists of four modules that, in combination, cover all the operations and activities that may have a bearing on the sustainability of the products supplied. These modules are:

- VIVE Chain of Custody
- VIVE Farm module
- VIVE Facility module
- VIVE Shipping module

It is VIVE's ultimate goal to be able to include entire supply chains within the programme, as the programme is based on the belief that the sustainability of products cannot be adequately assessed and controlled unless the whole supply is considered.

### **This VIVE Guide**

This Guide is designed to assist participants in the VIVE SHIPPING MODULE by including the questions and guidance from the VIVE Online System in a portable reference document.

It includes the following:

1. All the Criteria related to SHIPPING MODULE. Thus, some Criteria related to other VIVE Modules will not be present in this Guide.
2. A description of the Criteria encompassed by the VIVE programme
3. Guidance on how to respond to questions in the VIVE Self Assessment
4. Indicators which will be used by participants to score themselves against through Self-Assessment and subsequently verified through onsite assessment

### **Legal Compliance of Participating Companies**

Although the VIVE programme represents 'good practice', compliance with the VIVE Criteria does not in itself absolve a participating Company from, or diminish, obligations that may be incumbent upon the participating Company as a result of any client, statutory, or regulatory requirements. In addition to the requirements of the VIVE programme, participants must ensure that all products they supply meet the current legislative requirements of both the country in which the participating Company is operating and the countries to which they supply products.

Where a participant is subject to legal action by a Competent Authority or other Enforcement Agency in relation to matters that directly affect compliance with the requirements of VIVE and the integrity of the programme, the participating Company must advise VIVE of this at the earliest possible opportunity.

### **Glossary of Terms**

Chain of Custody – Those steps of the supply chain for which a Company participating in VIVE is directly responsible

Company – Any reference to 'the Company' should be taken to include the participating Company's designated contractors wherever activities encompassed by the VIVE programme have been delegated to a third party. Under VIVE rules, a participating Company may delegate an activity encompassed by the VIVE programme wherever this offers an effective solution, but a participating Company remains responsible for any Criteria encompassed by the VIVE programme.

Criteria – The component areas that a participant should consider under each Pillar of the VIVE Programme and against which they will be scored under the Indicator(s).

Indicator(s) – The question(s) that a participant should answer against each Criteria of the VIVE programme in order to establish their position on the journey of continuous improvement and against which they will achieve a defined score. Participant performance against VIVE indicators will be verified through onsite assessment and will form the basis of claim against the VIVE programme.

Module – The collection of VIVE Pillars applicable to a participant in the VIVE programme and related to the activity they undertake in the ingredient supply chain. The Modules of VIVE include: Farm, Facility, Forwarder, Shipping and Chain of Custody.

Objective – A succinct summary of the overall goal of a Pillar or Section within the VIVE Programme.

Pillar – A collection of Criteria relating to a specific area of the VIVE programme. Pillars are designated by a letter

Procedure – Series of actions conducted in a certain order or manner. Within VIVE where applicable procedures should be documented.

Supply Chain Step – Any facility, store, means of transport or process within a supply chain where VIVE product is subjected to an activity that may affect its physical form, expose it to contamination by another product or substance, result in loss of material during handling or result in it being comingled with another product. Typically, each activity involving processing, storage and transport should be treated as a separate supply chain step. Due to the nature of certain crop processing, the production process for a semi manufactured or manufactured product will typically be considered as one Supply Chain Step.

### **VIVE Assessments**

The aim of the VIVE Shipping Module is to evaluate sustainable business practices of the participants. Assessment will be primarily aimed at verifying the participant has committed to establishing appropriate sustainability governance with its supply chain. The assessments will be targeted at a corporate level with focus on how the businesses sustainability strategy, plans and procedures are established and disseminated within the organisation. Verifying the effectiveness on the strategy, plans and procedures by assessing individual vessels will initially be outside of the scope of assessment until such a time as the programme matures enough to warrant individual vessel inspections.



#### **VIVE Reward Levels**

In order to achieve VIVE Claim level status, the Company should demonstrate alignment with all VIVE claim level indicators. The VIVE claim level indicators are marked with a "C". If not all VIVE claim level indicators are met during an onsite assessment, the Company may be afforded the opportunity to enter into remediation in order to continue pursuit of VIVE claim level status. During this process the Company may remedy any potential issues and provide documented evidence to substantiate that they have aligned to the indicator's requirements. The Company should provide evidence of remediation within 60 days.

#### **VIVE Complaints and Appeals**

Please contact [VIVESupport@absustain.com](mailto:VIVESupport@absustain.com) to access the full VIVE Complaints and Appeals procedure.

#### **VIVE Ownership**

VIVE is jointly owned and operated by Czarnikow Group Ltd and AB Sustain (a division of AB Agri Ltd)

#### **VIVE Contact**

If you wish to contact VIVE please send an e-mail to: [VIVESupport@absustain.com](mailto:VIVESupport@absustain.com)

**SHIP|0| General Information**

OBJECTIVE: General information submitted by the participant will be used to determine applicable vessels to be covered by any potential VIVE claim level status. Short term charters or long-term charters under black flag status will not be eligible for VIVE claim level status.

Flag status has been defined by the WGB list: <https://www.parismou.org/detentions-banning/white-grey-and-black-list>

Vessels	Flag Status		
	White	Grey	Black
Owned			
Long term charter			
Short term charter			

### **SHIP | 1 | Governance**

OBJECTIVE: The Company should embed in its business practices the processes necessary for the successful implementation of VIVE and the maintenance of the Programme's integrity and credibility.

The Pillars of VIVE will only deliver continuous improvements towards sustainable production effectively if they are built on the sound foundations of robust Governance. The Criteria included within Governance apply to all of the Criteria within all the Pillars of VIVE.

#### **SHIP | 1 | 1 | Company Policies**

CRITERIA: The Company should have Policies that are aligned to the relevant Criteria of VIVE.

The Company should assess whether its existing policies sufficiently encompass the Criteria of VIVE or whether additional policy statements are required.

Where the Company is part of a group, any Group policy should be suitable for local use and adapted as necessary.

The Company Policies that commit to the effective implementation of the VIVE Criteria should contain:

- Compliance with relevant regulations of the countries in which are operated in
- Measures to promote good labour practices
- Measures to prevent child labour
- Measures to promote the Health and Safety of crew members, contractors and visitors
- Ensuring that only authorised firearms and knives are allowed on Company and chartered vessels and that
- Ensuring only drugs for medicinal purposes are permitted
- Ensuring strict controls regarding alcohol
- Measures to protect the environment
- Measures to reduce Greenhouse Gas emissions
- Measures to ensure sufficient resources for the effective implementation of VIVE

Company policies should be signed by a member of the Company senior management and subject to annual review.

#### **SHIP | 1 | 2 | Documented Procedures & Records**

CRITERIA: The Company produces and implements its own set of documented and undocumented procedures that encompass the requirements of the VIVE Programme and ensures that all records required by the VIVE Programme are maintained correctly.

The Company should assess whether its existing documented procedures sufficiently encompass the Criteria of VIVE or whether additional documented procedures are required.

Documented Procedures may be held electronically or on paper and may form part of a structured and certificated quality management system (e.g. ISO 9001), or be part of a national, industry or Company scheme that delivers equivalent controls.

Independently certified quality systems are not a pre-requisite under VIVE but where documented procedures are in place they should:

- Be approved, dated and signed by an authorised person
- Be readily available and understood by those required to operate to the requirements of the procedure
- Be reviewed and revised as necessary to reflect any significant changes that influence the operations of the Company
- Be subjected to internal verification as required to confirm that Company practices align with documented procedures. Findings should be reported to quality management and any necessary corrective actions should be recorded and implemented

Records may be kept in either hard or soft (electronic) format but should meet the following:

- All Records required by the VIVE Programme are kept for a minimum of two years, or longer if required by legislation
- Where applicable, all data protection regulations relevant to Company and third party's records should be adhered to
- Storage prevents any deterioration or damage to Records under all likely local conditions
- Records are sorted and filed in such a way that information is complete and easily retrievable
- Records are legible
- Records are subject to internal/external verification, with findings reported to quality management and any necessary corrective actions recorded and implemented

Records that may be request as part of an assessment may include but are not limited to:

- Training
- Accidents and near misses
- Issues identified through any grievance mechanisms in place
- Ongoing or resolved human or labour rights remediation
- Ongoing or resolved environmental remediation
- Waste
- Emissions

### **SHIP|1|3| Business Integrity**

CRITERIA: The Company should conduct its business with integrity, respecting relevant laws and prohibiting bribes and fraudulent practices.

The Company's controls should encompass all the areas listed below:

- Compliance with all applicable laws, rules, regulations and requirements related to business integrity
- Prohibition of bribes or other types of 'facilitation' payments
- Entertainment and gifts
- Human rights
- Respect in the workplace
- Competition and anti-trust
- Conflicts of interest
- Money laundering
- The accuracy and veracity of any records of practices, procedures and legal compliance

The Company should have a mechanism available to allow employees to report suspected misconduct related to Business Integrity. This mechanism should be secure, anonymous and protect employees from any repercussions.

Relevant Company controls should be audited by competent and qualified assessors, independent of the business unit being audited. The findings should be reported to senior management and any shortcomings should be identified and addressed.

### **SHIP|1|4| Management Structures**

CRITERIA: The Company should be able to demonstrate management structures that will ensure VIVE is implemented effectively.

The Company should be able to demonstrate a management structure and sufficient, suitably trained personnel to ensure that the Criteria of VIVE are implemented.

There is no requirement to use the VIVE brand but where other systems or existing structures are utilised it is a requirement that the Criteria of VIVE are encompassed.

Depending on the Company structure, individuals may hold more than one role and have other duties besides their involvement in the implementation of VIVE. In all cases, however, adequate resources should be made available to ensure the implementation is effective.

Where the Company outsources activities to independent third parties it should confirm that such independent third parties comply with all Criteria within this module relevant to those activities.

Any organisational structure used to implement VIVE should be documented

A typical structure may include the following roles and responsibilities:

A 'Steering Committee' that includes representation from the senior management team of the Company. The Steering Committee responsibilities should include:

- Providing guidance on the VIVE Criteria
- Allocating human and financial resources to ensure effective implementation of the VIVE Criteria
- Verifying the priorities for implementation
- Engaging with external stakeholders

A 'Coordinator' with direct responsibility to the Steering Committee for:

- Coordinating the 'VIVE' Team
- Driving the implementation of the VIVE Criteria and continuous improvement

A 'Team' made up of cross-functional representatives (such as: Operations, Procurement, Human Resources, Corporate Affairs, Legal Compliance, Health & Safety), to support the implementation of the VIVE Criteria and continuous improvement. This Team should communicate regularly in order to plan, coordinate and manage all activities relating to VIVE, including:

- Review and approval of the VIVE online self-assessments
- Ensuring that any issues are correctly recorded and addressed
- Monitoring the implementation of action plans
- Escalating to the Steering Committee any issues that they cannot resolve

#### **SHIP|1|5| Food Safety and Quality**

CRITERIA: The Company should ensure that Food Safety and Quality are maintained at all Company or chartered vessels. A qualified person or team of people with access to the authority and resources to promptly address any significant issues identified should be responsible for Food Safety and Quality.

The Company should confirm that:

- Any regulatory requirements are met with regard to Food Safety and Quality at Company-owned or chartered vessels
- The individual or individuals charged with Food Safety and Quality have the authority and resources to address any identified issues promptly
- Those responsible for Food Safety and Quality at Company-owned and managed facilities are suitably qualified in Hazard Analysis and Critical Control Points (HACCP) or equivalent methodology or, wherever this is not the case, they have prompt access to a suitably qualified person
- Management responsible for Food Safety and Quality review all incident reports on a regular basis and ensure any changes in processes or procedures identified as necessary are implemented as a consequence of this process
- Management responsible for Food Safety and Quality ensure Food Safety and Quality inspections are routinely and regularly undertaken to proactively identify any potential issues at Company-owned or chartered vessels prior to problems arising, and ensure any changes in processes or procedures identified as necessary are implemented as a consequence of this process

#### **SHIP|1|6| Stakeholder Engagement**

CRITERIA: The Company should engage with external stakeholders who can assist with any knowledge and expertise that may be required to resolve issues pertinent to VIVE.

Stakeholders may be used to support risk assessments and help develop mitigation plans for risks and issues.

The Company should identify relevant stakeholders based on the task to be achieved and the availability of credible stakeholders with which to engage.

Potential stakeholders include but are not restricted to:

- Communities
- Trade Unions
- Civil Society organizations
- Business support groups
- Manufacturers of machinery
- Legal expertise
- Health, Safety and Environment expertise
- Government departments
- Parties to which activities are delegated

#### **SHIP|1|7| Training on VIVE Criteria**

CRITERIA: The Company should identify and train key personnel upon which it will rely for the effective implementation of VIVE.

The Company should undertake regular training of key personnel throughout the year.

The Company should have:

- Identified key personnel to be trained in VIVE. The number, type and status of identified personnel should be adequate to ensure effective implementation of the VIVE Criteria

A documented process for training key personnel which includes:

- Knowledge about how to apply the VIVE Criteria on Company-owned or chartered vessels
- Processes for monitoring the VIVE Criteria on Company-owned or chartered vessels
- Reporting issues relating to the VIVE Criteria
- Methodology for implementation of action plans to address any issues relating to the VIVE Criteria
- A regular evaluation process in place to check the understanding of the VIVE Criteria relevant to the roles of key personnel, through either regular internal or external testing or evaluation
- Procedures in place that ensure the understanding of key personnel, and application of the VIVE Criteria, are kept up to date as the Programme evolves and develops
- Every Criteria of VIVE should be covered by a relevantly qualified and authorised member of the Company. These assigned people should have an appropriate understanding of what is required and possess the authority and resources to deliver against this.

#### **SHIP|1|8| Regulations**

CRITERIA: The Company should have procedures to monitor local regulations and ensure that all relevant regulations are complied with or exceeded.

The Company should have a process to ensure that they are kept up to date with regulations and that they monitor their performance against these regulations.

## **SHIP|2| Vessel Management**

**OBJECTIVE:** The Company should promote the protection of people, the planet and the cargo on its vessels and those it contracts. The Company should ensure that Human and Labour Rights are upheld in addition to meeting relevant legislative requirements where they operate. The Company's impact on the Environment should be minimised where possible using a continuous improvement methodology to bring about meaningful changes.

### **SHIP|2|1| Risk Assessment**

**CRITERIA:** The Company should use Risk Assessment methodology to identify and mitigate any significant risks affecting the Criteria within the Vessel Management Pillar

In addition to ensuring the Company meets its legal obligations, an effective Risk Assessment helps the Company to focus on the most significant issues. This in turn may result in cost savings, protection of people and the environment from harm, and enhance the Company's reputation. The Company should review the Risk Assessment on at least an annual basis, or if operational changes occur, to ensure that it continues to address all current and new issues.

The Company should use a systematic approach for carrying out a Risk Assessment that includes the following steps:

1. Identify the risks for each applicable Criteria within the Company Facilities Pillar: what could go wrong and what might be the consequences?
2. Estimate the risk (Probability x Severity)
3. Evaluate the risk and agree how it might be mitigated
4. Implement mitigating actions to manage the risks identified
5. Review the effectiveness of any mitigating actions implemented

### **SHIP|2|2| Accident and Near Miss Analysis and Reporting**

**CRITERIA:** The Company should ensure that a procedure is in place to record and analyse all accidents and near misses.

The Company should ensure that:

- Any regulatory requirements are met with regard to Accident Analysis
- All accidents are recorded, detailing the date, time, personnel involved, injuries sustained and circumstances that led to the accident
- All near misses are recorded, detailing the date, time, personnel involved and circumstances that led to the near miss
- All accidents and near misses are analysed to identify any trends and learn lessons
- Any remedial action required as a result of analysing accidents and near misses to prevent future accidents is implemented and recorded

The Company should ensure that:

- Any regulatory requirements are met with regard to Accident Reporting and Publication of Statistics
- All accidents and near misses are reported to management
- All accidents and near misses are reported to employees

For analysis purposes, the following definitions should apply:

**ACCIDENT** – An unplanned event that led to personal injury.

**NEAR MISS** – An incident where the potential for serious harm being caused to a person existed but no harm was actually caused. Examples might include driving without seat belts, guards being removed from hazardous machinery and not replaced etc.

### **SHIP|2|3| Contracts of Employment**

**CRITERIA:** The Company should ensure that all those working at its Company-owned or chartered vessels have written Contracts of Employment.

The Company should ensure that all those working at its Company-owned or chartered vessels have written Contracts of Employment.

The Company should ensure that both it and any contractors who provide labour meet all applicable regulatory requirements with regard to Contracts of Employment.

As a minimum, Contracts of Employment should include and clearly explain the following elements:

- Hours of work (where regulation applies to crew members)
- Overtime payment arrangements (where regulation applies to crew members)
- Notice periods to be given and received
- Holiday entitlement
- Any additional benefits and any deductions to be made
- Payment due
- Frequency of payment (at least monthly)
- Method of payment

All Contracts of Employment should be dated and signed by the employee concerned and an authorised Company representative.

#### **SHIP|2|4| Training**

CRITERIA: The Company should ensure that all those working at its Company-owned or chartered vessels are provided with the necessary training to allow them to work efficiently, effectively and safely. Effective procedures should be implemented which demonstrate both it and any contractors who provide labour, meet all applicable regulatory requirements with regard to the Training of workers.

The Company should confirm that:

- All necessary training is given to full-time and part-time employees and contracted labour
- All training provided to employees and contracted labour is delivered by suitably qualified trainers
- A record is kept of all training provided to employees
- Key training/qualifications of contracted labour are confirmed
- All training provided to employees and contracted labour is kept up-to-date and any additional training or refresher training is given as circumstances and risk assessments dictate
- The Company deploys procedures to verify that any training given to both employees and contracted labour has been effective

#### **SHIP|2|5| Child Labour**

CRITERIA: The Company should have effective procedures which prohibit Child Labour at any of its Company-owned or chartered vessels.

The Company should confirm that both it and any contractors who provide labour meet all applicable regulatory requirements with regard to Child Labour.

The Company should confirm that:

- The minimum age for admission to work is not less than 15 years, or the minimum age provided by the country's laws, whichever affords greater protection
- No person below 18 years of age is involved in any type of hazardous work
- No work undertaken by children is either excessively heavy or requires them to work long hours
- No work undertaken by children interferes with their education and social development
- All contractors and sub-contractors are required to comply with all applicable labour regulations and ILO conventions with regard to Child Labour

Relevant definitions have been derived from ILO conventions:

- MLC, 2006 - Maritime Labour Convention, 2006 (MLC, 2006)
- Minimum Age Convention, 1973 (No. 138)
- Worst Forms of Child Labour Convention, 1999 (No. 182)

#### **SHIP|2|6| Forced Labour**

CRITERIA: The Company should have effective procedures which prohibit Forced Labour at any of its Company-owned or chartered vessel.

The Company should confirm that both it and any contractors who provide labour meet all applicable regulatory requirements with regard to Forced Labour.

The Company should ensure that:

- Workers do not work under bond, debt or threat
- Workers receive wages directly from the Company or its contractors who provide labour
- Workers are free to leave their employment at any time with reasonable notice
- Workers and contractors are not required to make financial deposits with the Company
- Wages or income from work done are not withheld beyond the legal and agreed payment conditions
- The Company and its contractors who provide labour do not retain the original identity documents of any workers
- The Company and its contractors who provide labour do not employ prison or compulsory labour
- All contractors and sub-contractors are required to comply with all applicable labour regulations and ILO conventions with regard to Forced Labour

Relevant definitions have been derived from ILO conventions:

- MLC, 2006 - Maritime Labour Convention, 2006 (MLC, 2006)
- Forced Labour Convention, 1930 (No. 29)
- Abolition of Forced Labour Convention, 1957 (No. 105)

#### **SHIP|2|7| Freedom of Association and Collective Bargaining**

CRITERIA: The Company should have effective procedures which uphold all rights of its workers to Freedom of Association and Collective Bargaining.

The Company should confirm that both it and any contractors who provide labour meet all applicable regulatory requirements with regard to Freedom of Association and Collective Bargaining.

The Company should ensure that:

- Where workers are represented by a legally recognised Union, the Company establishes a constructive dialogue with their freely chosen representatives and bargains in good faith with such representatives
- Workers are allowed to engage in Union activities without restriction and free from reprisal, intimidation or harassment
- Management engages in good faith with worker/Union representatives in collective bargaining discussions and complies with collective bargaining agreements
- All contractors and sub-contractors are required to comply with all applicable labour regulations and ILO conventions with regard to Freedom of Association

Relevant definitions have been derived from ILO conventions:

- MLC, 2006 - Maritime Labour Convention, 2006 (MLC, 2006)
- Freedom of Association and Protection of the Right to Organize Convention, 1948 (No. 87)
- Right to Organize and Collective Bargaining Convention, 1949 (No. 98)

#### **SHIP|2|8| Working hours and Pay**

CRITERIA: The Company should have effective procedures which demonstrate that Working Hours of crew are not excessive and that Pay meets at a minimum regulatory requirement.

The Company should have effective procedures which confirms on both Company-owned or chartered vessels all applicable regulatory requirements with regard to Working Hours, Pay and Benefits are met.

The Company should ensure that:

- The pay of all crew meets, as a minimum any regulation or collective agreement of the flag state
- Work hours should not exceed 14 hours in a 24-hour period and 72 hours in any given 7-day period
- Rest hours should be at a minimum 10 hours in a 24-hour period or 77 hours in a 7-day period
- Workers are not charged illegal or excessive deductions or fees, including fees for personal protective equipment, accommodation, tools, etc.
- All contractors and sub-contractors are required to comply with all applicable labour regulations and ILO conventions with regard to Working Hours, Pay and Benefits

Relevant definitions have been derived from ILO conventions:

- Seafarers' Hours of Work and the Manning of Ships Convention, 1996 (No. 180)

### SHIP|2|9| Fair Treatment

CRITERIA: The Company should have effective procedure which demonstrate Fair Treatment of all crew.

The Company should have effective procedures which confirms on both Company-owned or chartered vessels all applicable regulatory requirements with regard to Fair Treatment are met.

The Company confirm ensure that:

- There are mechanisms to prevent physical abuse, threat of physical abuse or physical contact with the intent to injure or intimidate of crew members
- There are mechanisms to prevent sexual abuse or harassment of crew members
- There are mechanisms to prevent verbal abuse or harassment of crew members

There are mechanisms to avoid any forms of discrimination of crew members, primarily:

- Race, colour, caste or social origin
- Gender
- Religion
- Political affiliation
- Union membership or status as a worker representative
- Ethnicity, citizenship or nationality
- Pregnancy
- Disability
- Sexual orientation

Relevant definitions have been derived from ILO conventions:

- MLC, 2006 - Maritime Labour Convention, 2006 (MLC, 2006)
- Discrimination (Employment and Occupation) Convention, 1958 (No. 111)

### SHIP|2|10| Grievance Mechanisms

CRITERIA: The Company should confirm that effective grievance mechanisms have been implemented for crews or other impact rights holders on both Company-owned or chartered vessels

The UN Guiding Principle states the following for effective Non-Judicial Grievance Mechanisms:

- **Legitimate:** enabling trust from the stakeholder groups for whose use they are intended, and being accountable for the fair conduct of grievance processes;
- **Accessible:** being known to all stakeholder groups for whose use they are intended, and providing adequate assistance for those who may face particular barriers to access;

- **Predictable:** providing a clear and known procedure with an indicative time frame for each stage, and clarity on the types of process and outcome available and means of monitoring implementation;
- **Equitable:** seeking to ensure that aggrieved parties have reasonable access to sources of information, advice and expertise necessary to engage in a grievance process on fair, informed and respectful terms;
- **Transparent:** keeping parties to a grievance informed about its progress, and providing sufficient information about the mechanism's performance to build confidence in its effectiveness and meet any public interest at stake;
- **Rights-compatible:** ensuring that outcomes and remedies accord with internationally recognized human rights;
- **A source of continuous learning:** drawing on relevant measures to identify lessons for improving the mechanism and preventing future grievances and harms; Operational-level mechanisms should also be:
- **Based on engagement and dialogue:** consulting the stakeholder groups for whose use they are intended on their design and performance, and focusing

The Company may construct an Operational Level grievance mechanism which would involve the supplier being engaged directly with the rights holder. Typically, these grievance mechanisms will be administrated by the Company alone or in collaboration with relevant stakeholders, with recourse provided through an external body or expert. The benefits of establishing this mechanism is to support the identification of adverse human rights impacts as part of the supplier's due diligence process. By analysing complaints, the Company can identify systematic issues and in turn establish an appropriate prioritization and response process. Additionally, once grievances have been identified and established an appropriate response may be enacted quickly before any further escalation occurs.

Grievance mechanisms definitions and guidance based on UN Guiding Principles on Business and Human Rights (2011), principles 26-31.

#### **SHIP|2|11| Monitoring of Environmental Complaints**

CRITERIA: The Company should have effective mechanisms to capture any environmental complaints

The Company should have a mechanism for monitoring any complaints or grievance raised by interested parties and have effective procedures to investigate and remediate issues if necessary.

The Company should employ effective methodology to ensure that its processes are adequate in addressing the following potential types of complaints:

- Solid waste
- Waste water
- Emissions
- Noise

#### **SHIP|2|12| Waste Reduction**

CRITERIA: The waste produced by the Company should be recorded with the aim of reducing waste production. Wherever practical, the Company should re-use or recycle any waste that cannot be avoided.

The volumes and destinations of all waste should be recorded, and a plan developed with the aim of reducing waste per transport work. Transport work is a product of the cargo transported and the distance sailed for a specific ship.

Targets for the reduction of all types of waste should be set and plans to achieve this should be implemented.

Where reduction is not possible, re-use should be encouraged. Recycling should only occur at the end of the product's useful life.

#### **SHIP|2|13| Reduction of Greenhouse Gas (GHG) Emissions**

CRITERIA: The Company should record GHG emissions associated with their vessels to identify the activities that are responsible for the majority of GHG emissions and implement plans to reduce them. The Company should establish metrics for the GHG emissions based on internationally recognised standards and set targets for their reduction. Targets should be established against transport work. Transport work is a product of the cargo transported and the distance sailed for a specific ship.

The Company should then implement practices that will reduce GHG emissions associated with Company vessels.

The Company should establish targets for the reduction of:

- 'Scope 1' Emissions: Direct emissions from GHG sources owned or controlled by the Company (e.g. boilers, incinerators, generators, engines etc.).

**SHIP | 2 | 14 | Scope 3 Reductions in GHG Emissions**

CRITERIA: The Company should engage with its contractors and suppliers and work with them to reduce their GHG Emissions ('Scope 3' Emissions).

The Company should identify the significant sources of Scope 3 GHG emissions relating to its contractors and suppliers. The Company should then establish metrics for the GHG emissions associated with its contractors and suppliers and the services they provide, based on internationally recognised standards, and set targets for their reduction.

The Company should work with its contractors and suppliers to implement practices that will reduce their GHG emissions.