

MAERSK GLOBAL STANDARDS ON THIRD-PARTY LABOUR

PURPOSE	<i>This document ("Maersk Global Standards on Third-Party Labour") is to be reviewed, signed, and adhered to by all Third-Party Labour Suppliers engaging with any of the Maersk entities in providing labour services/deployment of labour. Such Suppliers are expected to adhere to all applicable regulations, the Maersk Supplier Code of Conduct, the Maersk Global Standards on Third-Party Labour, and other commitments under contractual engagements with Maersk.</i>
OWNER	Global Employee Relations
VERSION	3.0

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GLOBAL STANDARDS ON THIRD-PARTY LABOUR

We believe that a more integrated world improves quality of life and prosperity on all levels. Our commitment is to treat people in our business and value chain in a decent way.

It is our responsibility to ensure a more sustainable tomorrow for coming generations. Our purpose and our values represent the commitment we make, together.

You, as our supplier, are an essential part of our value chain. We are committed to a continuous dialogue and collaboration with you to improve performance and to ensure the efficiency, transparency, and responsibility of the entire supply chain. Our Code of Conduct sets global standards for how we as a company engage with our colleagues, customers, suppliers, communities, authorities, and other stakeholders.

We are all responsible for acting in a humble and upright way with constant care to shape a sustainable future. I expect you and your company to do your part in this: comply with the Maersk Global Standards on Third-Party Labour without exceptions and make the right choices in your everyday work to improve life for all.

In alignment with our Code of Conduct and our Supplier Code of Conduct, we have developed the Maersk Global Standards on Third-Party Labour to share our company position on each of our expectations. These Standards are reviewed regularly to ensure they are fit for purpose, up to date and adhere to the choices we make.



Vincent Clerc

CEO of A.P. Møller – Mærsk A/S

Introduction

A.P. Moller – Mærsk A/S and the Maersk Group ("Maersk") are committed to respecting the rights of all individuals and communities throughout our value chain. Maersk's Global Standards on Third Party Labour ('Global Standards') are based on the United Nations Guiding Principles on Business and Human Rights and the International Labour Organization's (ILO) Declaration on Fundamental Principles and Rights at Work.

Maersk expects all its suppliers (hereinafter collectively referred to as "supplier" or "suppliers") to comply with international human rights and labour standards as well as applicable local laws, regulations, and applicable collective labour agreements. In addition, Maersk requires that suppliers commit to operating in accordance with our Supplier Code of Conduct [[Supplier Code of Conduct | Sustainability | Maersk](#)] which is based on international standards.

To specifically address potential labour rights risks in the use of Third-Party Labour (workers employed by the supplier and deployed to work in Maersk facilities), Maersk has developed minimum requirements to which we expect suppliers to demonstrate compliance. These Global Standards detail minimum mandatory compliance requirements for suppliers that supplement the Maersk Supplier Code of Conduct. Elements of these Global Standards will be used in our tender and contract award criteria.

Third Parties are expected to operate in compliance with all applicable local laws and labour agreements; including collective bargaining agreements in addition to the standards provided. Where the standards in the Supplier Code of Conduct or the Global Standards on Third-Party Labour differ from local and national laws, suppliers must apply the highest standard, seeking to uphold the principle underpinning the standard, aligned with the relevant international standard. In the event of standards conflicting with local and national laws as well as international standards, our suppliers must address such conflicts with us in order to jointly establish the most appropriate course of action, if need be via our grievance mechanisms.

If a supplier is unable to comply with the Global Standards on Third Party Labour, the supplier should resolve its queries with the local Maersk focal point and rectify any remedial actions in their labour management process to ensure strict and clear adherence to the Maersk Standards. In these exceptional circumstances, a collaborative plan may be made, including providing consultation on corrective action plans and monitoring the progress the supplier is making. Exceptions to the Global Standards can only be made after written approval of Maersk's Chief People Officer.

Maersk does not allow further subcontracting for the supply of Third-Party Labour. However, in exceptional cases, and in accordance with contractual obligations, this may be agreed to. Suppliers are then required to implement the Global Standards on Third-Party Labour towards these subcontractors as well and are responsible for the compliance of their subcontractors to the Maersk Global Standards on Third-Party Labour.

The Global Standards on Third-Party Labour are applicable to all operations of the Maersk Group, except for seafarers, which are regulated primarily by the ILO Maritime Labour Convention of 2006 (as amended), any applicable Collective Bargaining Agreement and other industry standards.

Any owner of Maersk chartered ships or Third-Party ship managers contracted to technically manage Maersk owned ships must comply with the Maritime Labour Convention and shall ensure that all seafarers are covered by an ITF agreement or a similar union agreement acceptable to ITF and will carry a Blue or Green card as evidence of such coverage.

Applicability

These Global Standards apply to and shall be deemed incorporated by reference and part of the contract/agreement which they are exhibited to.

Human Rights

Maersk is committed to conducting business in a responsible and upright manner and to respect human rights across our activities, in line with the Maersk Core Values. Please see our Human Rights Policy Statement for more information [[Human Rights | Sustainability and ESG | Maersk](#)]. Integral part of Human Rights are the Labour Rights described in the chapter below.

We expect our suppliers across the value chain to respect human rights which is further outlined in the Maersk Supplier Code of Conduct and extended to our suppliers through contractual requirements. We take measures to promote compliance with responsible business practices within our supply chain through our Sustainable Procurement Programme in addition to working with suppliers across the value chain through bilateral and multilateral collaborations.

Labour Rights

1. Child Labour

Standard The supplier must not use or tolerate the use of child labour. The employment of a young worker under the age of 18 is only permitted for 'non-hazardous' work. The supplier must not employ children who are below the local minimum working age, the age of compulsory education or the ages set out in the International Labour Organization Core Conventions (whichever is higher).

Elements How Maersk will monitor¹: A representative from Maersk's People Function (and/or Employee Relations if present at the location) and from Procurement Function are appointed and responsible for monitoring the development and oversight of adequate policies and processes put in place at the supplier to monitor the ages of workers at each site. Upon request the supplier will have to provide insight into his policies and registration systems.

Remediation: In cases where children are found engaged in prohibited child labour in a location, the supplier shall take immediate and appropriate action to ensure the welfare of and the best interest of the child. In (potential) cases of child labour, the supplier will act in line with the **Maersk Guideline for dealing with (potential) cases of child labour and labour of young persons** (see the separate attached document to these Global Standards). The supplier is required to immediately inform Maersk of its corrective action and implementation plans and timeline to resolve the breach effectively and promptly.

2. Freely Chosen Employment

Standard The supplier must not engage in any form of forced labour or human trafficking, must not use or benefit from any kind of forced or involuntary, bonded, or indentured labour and should refrain from practices that can give rise to a risk of involuntary labour.

Elements How will Maersk monitor: A representative from Maersk's People Function (and/or Employee Relations if present at the location) and from Procurement Function are appointed and responsible for monitoring the development and oversight of adequate policies and processes put in place at the supplier to monitor whether all workers on the site have freely chosen to be and work there and are paid fully and in line with their contracts for their work.

¹ The fact that Maersk will monitor, and how Maersk will monitor, does in no way release the supplier from its obligations.

Notice periods: Workers are entitled to leave their jobs following a reasonable notice period in line with common standards that apply in the local labour market and are entitled to their pay in full for the work they have done prior to their leaving.

Withholding of official documents: Personal official documents (including passports, travel documents or any other critical official original copy documents) should stay in the possession of the worker. Such documents may be stored by the employer only upon the worker's request and with the genuine consent of the worker. The workers must always and at all times have access to their documents and there should be no constraints on the workers' freedom of movement and their ability to leave the workplace or accommodation (if provided) outside agreed working hours.

Freedom of movement: Workers are entitled to freely move on and offsite according to Maersk's safety and security policies and can freely come and go from the work site or their work-related accommodation. The privacy of workers during their breaks, rest periods, bathroom breaks and so on must be respected at all times.

Recruitment charges paid by workers: The supplier (or its recruiting agencies) must not charge employees recruiting or hiring fees whether paid by employees out of own funds or which gives rise to the risk of employees being indebted to suppliers or working for suppliers to pay off the debt.

3. Employment Contracts, Wages, Benefits and Working Hours

Standard The supplier must provide the workers with a written (employment) agreement* and pay workers according to applicable wage laws, including minimum wages, overtime hours and mandated benefits.

Elements How will Maersk monitor: Maersk expects the supplier to have an (online) system which records the number of (employment) agreements*, hours and wages paid to all third-party workers on the site.

A representative from Maersk's People Function (and/or Employee Relations if present at the location) and Procurement Function are responsible to monitor that hours and wages are paid to third party workers in a correct way, at each site. This will be done by randomly checking the suppliers (HR-) system at least once every year.

Workers' (employment) agreement*: Workers are given written (employment) agreements* in a language they understand, specifying their job title/role and a summary of the terms and conditions that apply.

Communication: Workers are made aware of the payment terms prior to the start of their work and payment terms are confirmed in writing. Payslips issued are also in writing.

Payments & penalties: Payments are transparent, with payslips provided, clearly indicating the gross wages, any deductions taken and for what purpose and net wages due. Wages and overtime payments are paid regularly and directly to the worker. Any salary deductions that are allowed by applicable local legislation are fair and reasonable and not punitive (such practices should not be conflicting to any of the Maersk Global Standards on Third-Party Labour and Maersk Supplier Code of Conduct guidelines) in nature.

* In US, workers are employed at will. Offer letters and an employment handbook or a collective bargaining agreement with a union covering employment terms may be sufficient.

Minimum wage: Workers are provided fair remuneration, in line with at least the applicable national statutory minimum wage. Workers are not expected to conduct unpaid work. If no national statutory minimum wage applies, the remuneration still must be fair in the context of the local circumstances and sufficient to meeting employees' basic needs.

Overtime: Workers do not work overtime unless it is voluntary and compensated. Rostering overtime on a systematic or structural basis is not allowed. Work extending into overtime hours must be paid at a higher rate according to local laws and regulations or collective agreements whichever is legally applicable. Where these do not exist, overtime pay should be at a minimum of 1.25x the rate of normal pay.

Benefits and bonuses: All legally required and applicable benefits and bonuses are paid to workers on time and in full.

Working hours (including overtime hours): Absent stricter local laws or collective agreements, normal working hours are 8 hours per day and do not exceed 12 hours per day (including overtime). The maximum working hours per week is 48 hours and should not exceed 60 hours (including the maximum allowed overtime of 12 hours per week). If there is an operational emergency, working hours may exceed 12 hours per day but this is not by design and only allowed in exceptional circumstances.

Weekly rest: Workers are entitled to a minimum of one day of 24 consecutive hours of rest per week (seven days).

Daily rest: Workers are entitled to daily rest periods in alignment with local laws. Daily rest refers to the uninterrupted rest period between two shifts within a twenty-four-hour period and is provided after the end of the working day. Daily rest must be sufficiently long to include time for both sleep and spare time. Maersk expects at least 10 hours rest per twenty-four-hour period.

Time off and breaks: Workers are entitled to time off and breaks in alignment with the local laws. Breaks are organised during the workday to allow for the worker to rest, eat, or address other needs by pausing the work.

Annual leave²: Workers are entitled to at least three weeks of paid leave per year, except workers that have been employed with an employer for less than one year but longer than six months and who have a right to a proportional paid leave. Where local laws adopt a longer period for annual leave these standards will apply. All workers are also entitled to paid sick leave, which is separate from general paid leave, and does not count against vacation/holiday time off. In addition, all workers are entitled to paid public holidays regulated by local law that governs the relevant site.

Insurance: Measures protecting workers from employment injury and workplace risks are in place at the location.

4. Freedom of association and collective bargaining

Standard

The supplier must respect the workers' right to associate freely and join or not join trade unions and/or works councils in accordance with national laws and international conventions. When addressing workplace issues and compensation disputes, the supplier relies on open communication and direct engagement with the workers and should refrain from threats of reprisal, intimidation, or harassment.

² If workers are currently not entitled to this number of paid leave days according to local legislation or agreements, this entitlement will gradually be built up, considering a balanced total benefit package.

Elements Collective bargaining: The supplier respects its employees' right to associate freely and form or join organizations of their choosing. If employees chose to be represented, the supplier will respect their right to bargain collectively in accordance with local laws and regulations and international standards in full freedom and without fear of reprisal, intimidation, or harassment. The supplier is committed to constructive engagement and collective bargaining in good faith with employee representatives of a legally recognized union.

Communication: The supplier does not discriminate or take adverse actions against employees in retaliation for exercising employee rights or participating in union activities. The supplier has established a clear written policy in a language that all employees understand, recognizing the freedom of association rights of its employees.

5. Non-Discrimination

Standard The supplier must provide equal opportunities to all workers and must not discriminate against anyone based on any grounds such as age, gender, sexual orientation, gender identity or expression, ethnicity, race, physical appearance, culture, religion, national or social origin, political views, marital status, pregnancy, dependants, bodily/mental ability or trade union membership. Particular attention shall be paid to the rights of the workers most vulnerable to discrimination.

Elements How Maersk will monitor: Maersk expects the supplier to have an (online) system which records the data regarding employment practices to monitor workplace equality.

A representative from Maersk's People Function (and/or Employee Relations if present at the location) and Procurement Function are appointed and responsible for monitoring the development, oversight of policies and processes and the system at the supplier targeting the prevention of discrimination in the workplace, addressing the needs of the most vulnerable workers on site, and designing effective resolution procedures. Workers are aware of the measures available to address discrimination at the workplace.

Pregnant women: Unless required by local laws, workers are not tested for pregnancy. If the tasks could be harmful for a pregnant worker, this will be clearly communicated by the Supplier.

6. Fair Treatment

Standard: The suppliers must treat all workers with respect and dignity. The work environment should be free from bullying, intimidation, coercion, corporal punishment, or harassment in any form including physical, psychological, sexual, or verbal.

Elements How Maersk will monitor: A representative from Maersk's People Function (and/or Employee Relations if present at the location) and from Procurement Function are appointed and responsible for monitoring the development and oversight of policies and processes at the supplier targeting the prevention of harassment in the workplace, addressing the needs of the most vulnerable workers on site and designing effective resolution procedures. Workers are aware of the disciplinary and grievance procedures in place at the workplace and measures are legal and fair.

Health, Safety, Security & Environment

Standard The supplier must provide their workers with a safe and healthy working environment. The supplier must also ensure that all operations on behalf of Maersk Group entities are carried out in a healthy, safe and secure way in accordance with Maersk Group HSSE Standards, the local rules and regulations. All Health, Safety, Security and Environment incidents associated with Maersk Group activities must be reported to the responsible Maersk representative within 24 hours.

Elements How Maersk will monitor: A representative from Maersk's HSSE function is responsible for monitoring the supplier's programmes and systems in place for ensuring the health and safety measures at the site. The representative is also responsible for periodically assessing and recording compliance with the Maersk group HSSE Policy or with the business unit HSSE policy whichever is stricter.

Safe and healthy work environment: The work environment includes potable drinking water, adequate sanitation, lighting, temperature, ventilation, and suitable facilities for special health needs. The site is well maintained and structurally sound as well as compliant with all applicable laws and regulations.

Occupational safety: Workers are provided with adequate training in a language they understand and are provided with appropriate protection from potential safety hazards at the workplace, such as but not limited to hazards relating to electricity, machinery, chemicals, toxins, vehicular, fall hazards and facility layout. Workers are provided adequate and appropriate personal protective equipment (PPE) at no additional cost. Protocols and training material on health and safety are clearly displayed within the site of operations.

Accommodation: When workers are provided accommodation, either by the supplier or another affiliate of the supplier, the facilities are well maintained, kept clean, safe and structurally sound, and compliant with all applicable laws and regulations. The facilities include at least access to potable drinking water, sanitary areas for food preparation, beds including mattresses with covers, adequate personal space, including lockers for storage of personal belongings, heating and ventilation, well maintained and hygienic bathrooms and showers and clearly identified emergency exits. More detailed information on accommodation is explained in the latest version of the Maersk [HSSE Worker Accommodation](#) document (see below the Health, Safety, Security & Environment section on page 9 which will in relevant cases be provided to the supplier by our Procurement Function).

Emergencies: A clear set of procedures are in place to respond to any potential emergency situations; referring to worker notification and evacuation procedures, first-aid supplies, fire detection/control equipment and clear and unrestricted exits from the site. Workers are provided periodic trainings and drills to ensure they are aware of response procedures in an emergency.

General

The supplier shall assist and co-operate fully with the abovementioned monitoring and provide the Maersk representatives any documentation requested as well as give access to offices and work sites and access to workers/employees for interviews be it supplier's own personnel or workers, subcontractors and other persons hired, contracted, or working with or for supplier.

Appendix I Bibliography

The following principles, standards and conventions have been used in developing this Global Third-Party Labour Standards and are a useful source of additional information:

General References

- Universal Declaration of Human Rights
- United Nations Guiding Principles on Business and Human Rights
- United Nations Global Compact
- Maersk Supplier Code of Conduct + Guidelines
- Maersk Commit Rule on Global Employee Relations

Labour Rights

Child Labour	• International Labour Organization Convention on Minimum Age • International Labour Organization Convention on the Worst Forms of Child Labour
Freely Chosen Employment	• International Labour Organization Convention on Forced Labour • International Labour Organization Convention on Abolition of Forced Labour • International Labour Organization Convention on Protection of Wages • International Labour Organization Minimum Wage Fixing Convention
Wages, Benefits and Working Hours	• International Labour Organization Convention on Hours of Work • International Labour Organization Convention on Weekly Rest (Industry)
Freedom of Association	• International Labour Organization Freedom of Association and Protection of the Right to Organise Convention • International Labour Organization Right to Organise and Collective Bargaining Convention
Non-Discrimination	• International Labour Organization Convention on Discrimination (Employment and Occupation) • International Labour Organization Convention on Equal Remuneration • International Convention on the Elimination of All Forms of Racial Discrimination • Convention on the Elimination of All Forms of Discrimination Against Women
Fair Treatment	• International Labour Organization Violence and Harassment Convention

Health, Safety, Security & Environment

- [ILO Convention 155 Occupational Safety and Health Convention](#)
- [Global APMM HSSE Policy](#)
- [HSSE Worker Accommodation](#)