



Central Oceans

## Central Oceans Statement on Child and Forced Labor

Child and forced labor are pervasive problems throughout the world. As an employer with a global footprint and a purchaser of services and goods worldwide, Central Oceans has an important role to play in these issues. To this end, Central Oceans has adopted the following Principles to reinforce its core value of treating all people with dignity and respect:

- Central Oceans will not tolerate the use of child or forced labor in any of its global operations and facilities.
- We will not tolerate the exploitation of children, their engagement in unacceptably hazardous work, and the physical punishment, abuse, or involuntary servitude of any worker.
- We expect the suppliers and contractors with whom we do business to uphold the same standards. Should a pattern of violation of these Principles become known to Central Oceans and not be corrected, we shall discontinue the business relationship.
- For purposes of these Principles, a "child" is anyone who is less than 15 years of age.
- Central Oceans supports temporary workplace internship and apprenticeship education programs for younger persons as well as customary seasonal employment so long as such persons are closely supervised and their morals, safety, health and compulsory education are not compromised in any way.

It is the responsibility of local management to implement and ensure compliance with these Principles at Central Oceans facilities in each region around the world. Central Oceans Sourcing has responsibility for ensuring the implementation and compliance with the Principles on a global basis by Central Oceans suppliers and contractors. The following Guidelines are provided to help in carrying out these responsibilities:

### Central Oceans Guidelines on Child Labor

#### What is a "child"?

For purposes of these Principles, Central Oceans defines a "child" as anyone who is less than 15 years of age.

#### What if a particular country defines "child" as younger than 15?

Notwithstanding any national law or local regulation that permits a worker to be less than 15 years of age, for purposes of these Principles, Central Oceans defines such a person as a "child."

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**What if a particular country defines “child” as older than 15?**

At sites and in locations where a national or local law or regulation provides for a minimum employment age greater than 15 years, or imposes additional restrictions in activities such as hazardous work, such laws and regulations must be observed.

**What do Central Oceans global operations and facilities include?**

It includes the Central Oceans Company, its worldwide subsidiaries and joint ventures.

**What if the employment concerns hazardous work?**

In the case of hazardous work, any person under the age of 18 must not be employed.

**What is “hazardous work”?**

In determining work that is unsuitably dangerous for persons under the age of 18, consideration should be given to:

1. Work which exposes them to the possibility of physical, psychological or sexual abuse;
2. Work underground, under water, at dangerous heights or in confined spaces;
3. Work with dangerous machinery, equipment and tools, or which involves the manual handling or transport of heavy loads;
4. Work in an unhealthy environment which may, for example, expose them to hazardous substances, agents or processes, or to temperatures, noise levels, or vibrations damaging to their health;
5. Work under particularly difficult conditions such as work for long hours or during the night or work where they are unreasonably confined to the premises of the employer.

**Can you elaborate on temporary employment for younger persons?**

In accordance with our Principles, younger persons, as described above, may be employed under certain conditions. This employment should be documented and reviewed annually by local management under the following guidelines:

1. The employment is a temporary internship, apprenticeship, or is a seasonal common and customary practice in the industry;
2. The employment does not interfere with compulsory schooling;
3. The young person is working with the permission of his or her parent or legal guardian;
4. The employment does not violate any pertinent labor law or regulation;
5. The employment will be directly supervised;
6. The young person’s safety, health and morals will be a primary concern.

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The local management of Central Oceans may apply this Guideline for the temporary employment of younger persons by the suppliers and contractors of Central Oceans, and by the suppliers and contractors of Central Oceans's worldwide subsidiaries and joint ventures upon the same conditions.

### **What is a “younger person”?**

For the limited purpose of internships and apprenticeship education programs, and for customary seasonal employment, a “younger person” is someone under the age of 15.

### **What is “customary seasonal employment”?**

Customary seasonal employment is work traditionally performed by younger persons that is legal, does not conflict with schooling and is of short duration. Examples of customary seasonal employment include mowing lawns, shoveling snow, etc.

### **Is it necessary to document temporary employment of younger persons?**

Yes. Local management is responsible for maintaining appropriate records to document that any such employment is consistent with our Principles and Guidelines. These records should be retained for at least one year after the cessation of employment. After this they are subject to the policies of the pertinent records retention program.

### **Who is responsible for verifying a worker's age?**

It is the responsibility of local management and each supplier to verify the age of an applicant for any particular type of employment.

### **What is the best way to verify a worker's age?**

Commonly accepted proofs of age include, but are not limited to, the following: a government-issued birth certificate with raised seal; a record of birth maintained in connection with religious practices, that is contemporary with the birth and shows the date of the birth event; or an official passport showing the age of the child when such record has been in existence for at least a year.

## **Central Oceans Guidelines on Forced Labor**

### **What is “Forced Labor”?**

Forced labor is any and all work or service which is exacted from any person under the menace of any penalty for its nonperformance and for which the worker does not offer him-, or herself voluntarily. Providing wages or other compensation to a worker does not necessarily indicate that that labor is not forced or compulsory.



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**What is Central Oceans's internal commitment on the issue of Forced Labor?**

Central Oceans, together with its worldwide subsidiaries, affiliates, joint ventures or other associated entities, will not use Forced Labor in any of its operations anywhere in the world. This commitment also extends to the use of any factory or sub-vendors who make or assemble Central Oceans products.

**What is Central Oceans's external commitment on the issue of Forced Labor?**

Central Oceans will not purchase, rent, lease, borrow or otherwise use any products, goods, services or raw materials anywhere in the world made or provided by a supplier who knowingly uses forced or involuntary prison labor.

**Can you give us some examples of what Forced Labor is and what it is not?**

Forced Labor takes many insidious forms. Examples of Forced Labor include but are not limited to:

- Otherwise legal child or young person labor where the child or young person has no choice about whether to work or not;
- The work or service of prisoners if they are hired out or placed at the disposal of private individuals, companies or associations involuntarily and without supervision of public authorities;
- Involuntary labor for development purposes required by the authorities, including assistance in construction, agriculture and other public works;
- Work required in order to punish opinion or expression of views ideologically opposed to the established political, social or economic system; and
- Bonding workers through debt.

**Forced Labor does not include:**

- Compulsory military service for persons over the age of 15 of a purely military character;
- Normal civic obligations such as jury duty;
- The work or service of prisoners resulting from a conviction in a court of law which is carried out under the supervision and control of a public authority;
- Work performed in emergency situations such as fire, flood, famine, earthquake, epidemic, or other circumstance that would endanger the well-being of the community as a whole;
- Minor communal services performed in the direct interest of the community; or
- Mandatory (sometimes called "forced") overtime that is understood to be part of the job description and that complies with pertinent laws and regulations.

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### **Guidelines for Vendors, Contractors and Suppliers**

#### **What are we asking of our suppliers?**

Central Oceans, together with its worldwide subsidiaries and joint ventures, requires that all of its global vendors, contractors, and suppliers of any product or raw material, wherever it originates, apply its Human Trafficking, Child Labor and Forced Labor Principles.

#### **How will this be carried out?**

All current and future goods or services supply contracts will be modified to contain the following clause:

#### **Child Labor and Forced Labor Prohibition**

"[Contractor] hereby certifies that it is fully aware of the prohibition regarding the employment of children under 15 years of age pursuant to the Central Oceans Child Labor Principles and on the prohibition on use of involuntary labor, human trafficked or slave labor pursuant to the Central Oceans Forced Labor Principles (hereinafter referred to collectively as "Central Oceans Principles").

[Contractor] certifies that it does not currently employ, and will not in the future employ, directly or indirectly, or through any subcontractor, any child to perform work for Central Oceans who is under 15 years of age, or 18 years of age in the case of hazardous work, in any of its operations or activities in a manner contravening Central Oceans Principles or in violation of relevant laws and regulations. [Contractor] certifies that it, and its suppliers of goods and services, will not utilize persons under the age of 15, or 18 years of age for hazardous work, in contravention of the Central Oceans Principles or in violation of relevant laws and regulations.

[Contractor] certifies that the workers it uses, and will use, to produce and supply the goods and services offered are in all cases present voluntarily. [Contractor] certifies that it and its suppliers of goods and services will not knowingly utilize prison, slave, human trafficked or forced labor as it is defined in the Central Oceans Principles.

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[Contractor] understands that these certifications and undertakings are essential to this contract. [Contractor] agrees to indemnify Central Oceans and hold Central Oceans harmless with respect to any violation of relevant laws and regulations, or for any civil liability arising from the contravention of the Central Oceans Principles by [Contractor] or any of its suppliers of goods or services. [Contractor] also agrees that, in the event that Central Oceans determines that a violation or contravention of relevant laws or regulations or the Central Oceans Principles has occurred, Central Oceans shall notify [Contractor] and [Contractor] shall immediately remedy the violation or contravention. In the event that Central Oceans determines that [Contractor] has not remedied the violation or contravention and complied with the law and/or the Central Oceans Principles, then Central Oceans may terminate this contract immediately, and such termination shall be with cause."

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