

INTRODUCTION

GESMAR group, being aware of its role and responsibilities within the community and economic setting where it operates, is committed to operating as a socially accountable organisation, through compliance with the requirements of the SA8000 standard.

SA (Social Accountability) 8000 is an international standard drawn up in 1997 by the American body SAI (social accountability international), which sets out nine social accountability requirements for improving the performance of organisations that voluntarily ensure the ethical quality of their production chain and processes.

Compliance of an organisation's social accountability system with the requirements of the SA8000 standard is accredited through a certificate issued by an independent third party, with a similar mechanism to that used for the ISO 9001, ISO 14001, BS OHSAS 18001 standards.

SA 8000 was developed by CEPAA (Council of Economical Priorities Accreditation Agency, www.cepaa.org), an affiliate of the CEP (Council of Economic Priorities), a US institute founded in 1969 to provide investors and consumers with tools for evaluating corporate social performance.

SA 8000 is based on the conventions of the ILO (International Labour Organization), on the Universal Declaration of Human Rights, and on the United Nations Convention on the Rights of the Child.

It directly involves important stakeholders of the community such as suppliers, clients, consumers and their associations, environmental and humanitarian groups, trade union organisations, the mass media, and persons resident in the production area.

Corporate social accountability is undoubtedly an concern that is today driving new economic dynamics which cannot fail to affect competitiveness on both a global and local scale.

Furthermore:

- ☉ It is the first international standard that MEASURES the ethical quality and social accountability of a company.
- ☉ Its requirements apply internationally and to ANY industry sectors.
- ☉ Compliance with the requirements of the standard is verified through an INDEPENDENT THIRD PARTY certification, issued by ACCREDITED BODIES.
- ☉ Among other actions, the standard requires companies to publicly communicate its MANAGEMENT SYSTEM.

SOCIAL ACCOUNTABILITY 8000 (SA8000)**PURPOSE AND SCOPE OF APPLICATION**

The intent of SA8000 is to provide a standard based on international human rights norms and national labour laws that will protect and empower all personnel within a company's scope of control and influence, who produce products or provide services for that company, including personnel employed by the company itself, as well as by its suppliers/subcontractors, sub-suppliers, and home workers.

SA8000 is verifiable through an evidence-based process.

Its requirements apply universally, regardless of a company's size, geographic location, or industry sector.

Complying with the requirements for social accountability of this standard will enable a company to:

- ④ Develop, maintain and enforce policies and procedures in order to manage those issues which it can control or influence.
- ④ Credibly demonstrate to interested parties that existing company policies, procedures and practices conform to the requirements of this standard.

NORMATIVE ELEMENTS AND THEIR INTERPRETATION

The company shall comply with national and all other applicable laws, prevailing industry standards, other requirements to which the company subscribes, and this standard. When such national and other applicable laws, prevailing industry standards, other requirements to which the company subscribes, and this standard address the same issue, the provision most favourable to workers shall apply.

The company shall also respect the principles of the following international instruments:

ILO Convention 1 (Hours of work – Industry) and Recommendation 116 (Reduction of hours of work)

ILO Conventions 29 (Forced labour) and 105 (Abolition of forced labour)

ILO Convention 87 (Freedom of association)

ILO Convention 98 (Right to organise and collective bargaining)

ILO Convention 100 (Equal remuneration) and 111 (Discrimination – employment and occupation)

ILO Convention 102 (Social security – minimum standards)

ILO Convention 131 (Minimum wage fixing)

ILO Convention 135 (Workers' representatives)

ILO Convention 138 and Recommendation 146 (Minimum age)

ILO Convention 155 and Recommendation 164 (Occupational safety and health)

ILO Convention 159 (Vocational rehabilitation and employment - disabled persons)

ILO Convention 169 (Indigenous and tribal peoples)

ILO Convention 177 (Home work)

ILO Convention 182 (Worst forms of child labour)

ILO Convention 183 (Maternity protection)

ILO code of practice on HIV/AIDS and the world of work

Universal Declaration of Human Rights, International Covenant on Economic, Social and Cultural Rights, International Covenant on Political and Civil Rights, United Nations Convention on the Rights of the Child, United Nations Convention on the Elimination of all Forms of Discrimination against Women, United Nations Convention on the Elimination of all Forms of Racial Discrimination.

ALL THE CONVENTIONS AND RECOMMENDATIONS CAN BE CONSULTED AND DOWNLOADED FROM THE WEBSITE

WWW.ILO.ORG

DEFINITIONS

Company: The entirety of any organisation or business entity responsible for implementing the requirements of this standard, including all personnel employed by the company.

Personnel: All individual men and women, directly employed or contracted by a company, including directors, executives, managers, supervisors, and workers.

Worker: All non-management personnel.

Supplier/subcontractor: An organisation which provides the company with goods and/or services integral to and utilised in or for the production of the company's goods and/or services.

Sub-supplier: A business entity in the supply chain which, directly or indirectly, provides the supplier with goods and/or services integral to and utilised in or for the production of the supplier's and/or the company's goods and/or services.

Corrective / Preventive Action: An immediate and continuing remedy to a non-conformance to the SA8000 standard.

Interested party: An individual or group concerned with or affected by the social performance of the company.

Child: Any person less than 15 years of age, unless the minimum age for work or mandatory schooling is stipulated as being higher by local law, in which case the higher stipulated age applies in that locality (in Italy the minimum age is 16 years, 2007 Finance Act "Law n.296/2006").

Young worker: Any worker over the age of a child, as defined above, and under the age of 18.

Child labour: Any work performed by a child younger than the age(s) specified in the above definition of a child, except as provided for by ILO Recommendation 146.

Forced and compulsory labour: All work or service that a person has not offered to do voluntarily and is made to do under threat of punishment or retaliation, or is demanded as a means of repayment of debt.

Human trafficking: The recruitment, transfer, harbouring or receipt of persons, by means of the use of threat, force, other forms of coercion, or deception, for the purpose of exploitation.

Remediation for children: All support and actions necessary to ensure the safety, health, education and development of children who have been subjected to child labour, as defined above, and have been subsequently dismissed.

Home worker: A person who is contracted by the company or by a supplier, sub-supplier, or contractor, but does not work on their premises.

SA8000 worker representative: A worker chosen to facilitate communication with senior management on matters related to SA8000, undertaken by the recognised trade union(s) in unionised facilities and, elsewhere, a worker elected by non-management personnel for that purpose.

Management representative: A member of senior management personnel appointed by the company to ensure that the requirements of the standard are met.

Worker organisation: A voluntary association of workers organised on a continuing basis for the purpose of maintaining and improving their terms of employment and workplace conditions.

Collective bargaining agreement: A contract for labour negotiated between an employer or group of employers and one or more worker organisations, which specifies the terms and conditions of employment.

SOCIAL ACCOUNTABILITY REQUIREMENTS**CHILD LABOUR**

- 1** The company shall not engage in or support the use of child labour as defined above.
- 2** The company shall establish, document, maintain, and effectively communicate to personnel and other interested parties, policies and written procedures for remediation of children found to be working in situations which fit the definition of child labour above, and shall provide adequate financial and other support to enable such children to attend and remain in school until no longer a child as defined above.
- 3** The company may employ young workers, but where such young workers are subject to compulsory education laws, they may work only outside school hours. Under no circumstances shall any young worker's school, work, and transportation time exceed a combined total of 10 hours per day, and in no case shall young workers work more than 8 hours a day. Young workers may not work during night hours.
- 4** The company shall not expose children or young workers to any situations – in or outside of the workplace – that are hazardous or unsafe to their physical and mental health and development.

FORCED AND COMPULSORY LABOUR

- 1** The company shall not engage in or support the use of forced or compulsory labour as defined in ILO Convention 29, nor shall personnel be required to pay 'deposits' or lodge identification papers with the company upon commencing employment.
- 2** Neither the company nor any entity supplying labour to the company shall withhold any part of any personnel's salary, benefits, property, or documents in order to force such personnel to continue working for the company.
- 3** Personnel shall have the right to leave the workplace premises after completing the standard workday, and be free to terminate their employment provided that they give reasonable notice to their employer.
- 4** Neither the company nor any entity supplying labour to the company shall engage in or support trafficking in human beings.

HEALTH AND SAFETY

- 1** The company shall provide a safe and healthy workplace environment and shall take effective steps to prevent potential accidents and injury to workers' health arising out of, associated with, or occurring in the course of work, by minimising, so far as is reasonably practicable, the causes of hazards inherent in the workplace environment, and bearing in mind the prevailing knowledge of the industry and of any specific hazards.
- 2** The company shall appoint a senior management representative to be responsible for ensuring a safe and healthy workplace environment for all personnel, and for implementing the Health and Safety elements of this standard.
- 3** The company shall provide to personnel on a regular basis effective health and safety instructions, including on-site instruction and, where needed, job-specific instructions. Such specific instructions shall be repeated for new and reassigned personnel and in cases where accidents have occurred.
- 4** The company shall establish systems to detect, avoid, or respond to potential threats to the health and safety of personnel. The company shall maintain written records of all accidents that occur in the workplace and in company-controlled residences and property.
- 5** The company shall provide at its expense appropriate personal protective equipment to personnel. In the event of a work related injury the company shall provide first aid and assist the worker in obtaining follow-up medical treatment.
- 6** The company shall undertake to assess all the risks to new and expectant mothers arising out of their work activity and to ensure that all reasonable steps are taken to remove or reduce any risks to their health and safety.
- 7** The company shall provide, for use by all personnel, access to clean toilet facilities, access to potable water, and, where applicable, sanitary facilities for food storage.

8 The company shall ensure that any dormitory facilities provided for personnel are clean, safe, and meet the basic needs of the personnel.

9 All personnel shall have the right to remove themselves from imminent serious danger without seeking permission from the company.

FREEDOM OF ASSOCIATION AND RIGHT TO COLLECTIVE BARGAINING

1 All personnel shall have the right to form, join and organise trade unions of their choice and to bargain collectively on their behalf with the company. The company shall respect this right, and shall effectively inform personnel that they are free to join an organisation of their choosing and that their doing so will not result in any negative consequences to them, or retaliation, from the company. The company shall not in any way interfere with the establishment, functioning, or administration of such workers' organisations or collective bargaining.

2 In situations where the right to freedom of association and collective bargaining are restricted under law, the company shall allow workers to freely elect their own representatives.

3 The company shall ensure that representatives of workers and any personnel engaged in organising workers are not subjected to discrimination, harassment, intimidation, or retaliation for reason of their being members of a union or participating in trade union activities, and that such representatives have access to their members in the workplace.

DISCRIMINATION

1 The company shall not engage in or support discrimination in hiring, remuneration, access to training, promotion, termination, or retirement based on race, national or social origin, caste, birth, religion, disability, gender, sexual orientation, family responsibilities, marital status, union membership, political opinions, age, or any other condition that could give rise to discrimination.

2 The company shall not interfere with the exercise of personnel's rights to observe tenets or practices, or to meet needs relating to race, national or social origin, religion, disability, gender, sexual orientation, family responsibilities, union membership, political opinions, or any other condition that could give rise to discrimination.

3 The company shall not allow any behaviour that is threatening, abusive, exploitative, or sexually coercive, including gestures, language, and physical contact, in the workplace and, where applicable, in residences and other facilities provided by the company for use by personnel.

4 The company shall not subject personnel to pregnancy or virginity tests under any circumstances.

DISCIPLINARY PRACTICES

1 The company shall treat all personnel with dignity and respect. The company shall not engage in or tolerate the use of corporal punishment, mental or physical coercion, or verbal abuse of personnel. No harsh or inhumane treatment is allowed.

WORKING HOURS

1 The company shall comply with applicable laws and industry standards on working hours and public holidays. The normal work week, not including overtime, shall be defined by law but shall not exceed 48 hours.

2 Personnel shall be provided with at least one day off following every six consecutive days of working. Exceptions to this rule apply only where both the following conditions exist:

a) National law allows work time exceeding this limit; and

b) A freely negotiated collective bargaining agreement is in force that allows work time averaging, including adequate rest periods.

3 All overtime work shall be voluntary, except as provided in 4 below, shall not exceed 12 hours per week, nor be requested on a regular basis.

4 In cases where overtime work is needed in order to meet short-term business demand and the company is party to a collective bargaining agreement freely negotiated with worker organisations (as defined above) representing a significant portion of its workforce, the company may require such overtime work in accordance with such agreements. Any such agreements must comply with the requirements above.

REMUNERATION

1 The company shall respect the right of personnel to a living wage and ensure that wages paid for a normal work week shall always meet at least legal or industry minimum standards and shall be sufficient to meet the basic needs of personnel and to provide some discretionary income.

2 The company shall ensure that deductions from wages are not made for disciplinary purposes. Exceptions to this rule apply only where both the following conditions exist:

- a) Deductions from wages for disciplinary purposes are permitted by national law; and
- b) A freely negotiated collective bargaining agreement is in force.

3 The company shall ensure that personnel's wages and benefits composition are detailed clearly and regularly in writing for them for each pay period. The company shall also ensure that wages and benefits are rendered in full compliance with all applicable laws and that remuneration is rendered either in cash or check form, in a manner convenient to workers.

4 All overtime shall be reimbursed at a premium rate as defined by national law. In countries where a premium rate for overtime is not regulated by law or a collective bargaining agreement, personnel shall be compensated for overtime at a premium rate or equal to prevailing industry standards, whichever is more favourable to workers' interests.

5 The company shall not use labour-only contracting arrangements, consecutive short-term contracts, and/or false apprenticeship schemes to avoid fulfilling its obligations to personnel under applicable laws pertaining to labour and social security legislation and regulations.

MANAGEMENT SYSTEMS

To demonstrate its commitment to meeting the requirements of this standard GESMAR group shall:

- ④ Establish and communicate its objectives through the company policy.
- ④ Appoint a senior management representative who, irrespective of other responsibilities, shall ensure that the requirements of this standard are met.
- ④ Recognise that workplace dialogue is a key component of social accountability, and ensure that all workers have the right to representation through election of an SA8000 Worker Representative from among themselves.
- ④ Periodically review the adequacy, suitability, and continuing effectiveness of the company's policy, procedures, and performance results vis-à-vis the requirements of this standard and other requirements to which the company subscribes, where appropriate making amendments and improvements to the system. The SA8000 worker representative shall participate in this review.
- ④ Ensure that the requirements of this standard are understood and implemented at all levels of the organisation, with a clear definition of all parties' roles, responsibility and authority; provide training of new, reassigned, and/or temporary personnel upon hiring; and periodic instruction, training and awareness programs for existing personnel.
- ④ Continuously monitor activities and results, to demonstrate the effectiveness of systems implemented to meet the company's policy and the requirements of this standard.

- ⦿ Maintain control of suppliers/subcontractors and sub-suppliers to ensure those organisations conform to the social accountability requirements.
- ⦿ Provide a confidential means for personnel to report non-conformances with this standard to the company management and to the worker representative.
- ⦿ Investigate, address and respond to issues, identify their root cause, and promptly implement corrective and preventive action.
- ⦿ Regularly communicate to all interested parties data and other information regarding compliance with the requirements of social accountability, including the results of management reviews and monitoring activities.
- ⦿ Ensure access to its premises and to reasonable information required by the auditor for announced or unannounced audits of the company for the purpose of certifying its compliance with the requirements of this standard.
- ⦿ Maintain appropriate records to demonstrate conformance to the requirements of the social accountability standard.

REPORTING PROBLEMS

All personnel can report issues relating to non-conformances with the company policy and/or with the social accountability requirements.

To this end, the organisation has established the following confidential channels which workers can use:

IN NON ANONYMOUS FORM, ALL WORKERS CAN:

- Make a verbal or written report to the SA8000 Worker Representative.
- Complete a Non-Conformance/Claim Report and submit it to the SA8000 Representative.
- Make a written report to the General Management.
- Make a verbal or written report to the accredited Certification Body (RINA Service S.p.A) or to the International Organisation (SAAS).

IN ANONYMOUS FORM, ALL WORKERS CAN:

- Make a written report to the General Management.
- Make a written report to the SA8000 Worker Representative.
- Make a written or verbal report to the accredited Certification Body (RINA Service S.p.A) or to the International Organisation (SAAS).

During the entire process of reporting and addressing concerns, Management and the SA8000 worker representative shall ensure the anonymity and confidentiality of the information disclosed to them.

All reported issues will be addressed directly by Management with the involvement of the SA8000 Worker Representative, the worker (where named) and any functions involved as set out in the system procedure for corrective and preventive actions.

Note that:

- ➔ Issues can be reported to Management at the following addresses:
 - By e-mail to the address a.zuccari@gruppongemar.com
 - By post to the address S.E.R.S. srl, Via Marmarica, 50 48122 Marina di Ravenna (RA), for the attention of Antonio Zuccari
- ➔ Issues can be reported to the SA8000 Worker Representative by post to the address S.E.R.S. srl, Via Marmarica, 50 48122 Marina di Ravenna (RA), for the attention the SA8000 Worker Representative Mr. Emanuele Beneventi for SERS Srl, Mr. Ivano Puntin for GESMAR Spa, Chief Engineer Mario del Ciotto for the maritime workers of GESMAR Spa, Captain Vincenzo Lubraano for the maritime workers of SERS Srl
- ➔ Issues can be reported to the accredited Certification Body RINA Service S.p.A by:
 - fax +39 010 5351140
 - e-mail SA8000@rina.org
- ➔ Issues can be reported to the Accredited Body Social Accountability Accreditation Service (SAAS) at:
 - e-mail saas@saasaccreditation.org