

Group of companies "Gidrostroy"

MSC Certificate Holder Forced and Child Labour Policies, Practices and Measures v1.0

1. Introduction

Fisheries and at-sea Certificate Holders (CH) in the Marine Stewardship Council (MSC) program are required to provide a self-description of policies and measures, including regulatory requirements and procedures that are in effect in the Unit of Assessment, to protect fishing crew from forced labour or child labour, as well as any efforts by the private sector. The objective is to require certificate holders to communicate how government, industry, or other relevant entities protect against forced or child labour.

Each fishery and at-sea Chain of Custody client shall provide this information by completing this template. This template should be completed by the client in good faith and be based on information known and available to the client at the time of completion. The information provided should be representative of the range of measures known to the certificate holder.

The completed form will be uploaded to MSC database to be published on the MSC website at the same time as the Public Certification Report.

Guidance for filling in the template is found in the Appendix of this template. Information is required on all issues addressed in the template and should be provided in English, which is the official language of the MSC.

Please complete all unshaded fields. Please fill in N/A if an issue is not applicable, including a short justification for why it is not applicable.

2. Marine Stewardship Council certificate holder forced and child labour policies, practices and measures

| Table 2.1 – Certificate holder information | | | | | |
|--|---|--|--|--|--|
| 1 | 1 Composition of fishery client group on behalf of who the statement is provided | | | | |
| | Characterise the composition of the fishery client group, including cost sharing entities. Describe the relationship between cost sharing members of the fishery client group and the vessel owners and operators of the Unit of Certification (UoC). | | | | |
| СН | The group of companies "Gidrostroy" is a fishery holding in the Russian Far East with a full range of business activities, including: Oceanic and coastal fishing; Fish processing, storage and distribution of fish products; Fish stock reproduction; Building and construction; Ecotourism. Gidrostroy operates five onshore fish-processing enterprises. "Reidovo" and "Yasny" plants are located on Iturup island, "RK im. Kirova" processing plant is located on Sakhalin. A new processing facility "Krabozavodsk" is located on Shikotan. Multiple fleet vessels, including fishing, processing and other ships are fundamental for successful production cycle of all Gidrostroy enterprises. | | | | |
| | The group of companies "Gidrostroy" includes the following legal entities: CJSC "Kurilskiy rybak", CJSC "Pilenga", CJSC "Ostrov Sakhalin", LLC "Poronay", LLC "PO Sakhalinrybaksoyuz ", LLC "RK im. Kirova", LLC Tranzit, PJSC PREOBRAZHENSKAYA BAZA TRALOVOGO FLOTA. | | | | |
| 2 Responsibility for labour regulation | | | | | |
| | What management authorities and laws, including flag state authorities, control labour-related regulations in the unit of assessment area? How are laws enforced? | | | | |
| СН | The regulation of employment relations in Russia is based on the employment law acts, which include the following sources put in hierarchical order: | | | | |

a) Labour Code dd. 30.12.2001 No. 197-FZ;

b) other federal (i.e. all-Russian) laws;

c) Presidential decrees;

d) Governmental resolutions and regulatory legal acts issued by federal executive authorities;

e) regional legislative acts and local (municipal) legislative acts;

f) collective bargaining agreements (i.e. agreements entered into between employees and particular employers):

g) agreements in a particular industry; and

h) local regulations at a company (internal documents or policies).

Judicial precedents do not have a force of law, but they play a considerable role, and judges take them into consideration.

The main specialized documents regulating labor relations in the fishing fleet are

- the Statute of service on vessels of fishing fleet of the Russian Federation and
- the Statute on discipline of workers of Fishing fleet of the Russian Federation.

Federal Labor Inspectorate

The Federal Labor Inspectorate (FLI) is a regulatory body that supervises employers as regards their compliance with Russian labor legislation.

The FLI is responsible for:

- the investigation of work-related accidents;
- the consideration of administrative offence;
- the violation of employee rights, etc.

FLI inspectors have the right to conduct inspections of an employer's premises at any time and without notice. The law also grants the FLI the right to request and receive from employers any documents or other pertinent information that enable it to conduct and monitor the inspection process. Employers are required to comply with the requests of FLI inspectors. If any violation of Russian labor law is found during an inspection or investigation, the FLI inspectors will issue an order requiring rectification of such breaches by the employer and/or imposing fines on the employer and/or its executives in order to restore employee rights.

| 3 | Risk identification and mitigation | |
|----|---|--|
| | - Describe the processes, including government and certificate holder measures, that are in place in the UoC to identify and mitigate any risk of child and forced labour. | |
| СН | The company Gidrostroy takes all possible measures to avoid the risk of child and forced labor, building labor relations exclusively in accordance with the legislation of the Russian Federation. | |
| 4 | Crew recruitment | |
| | - Describe the typical methods used to recruit crew in the UoC and describe the migrant composition of crew if any. | |
| СН | All employees working in offices, fishing vessels and processing plants of the company Gidrostroy are citizens of the Russian Federation or Eurasian economic Union States. Labor relations are executed in writing in accordance with the legislation of the Russian Federation. | |
| 5 | Engagement with fish worker groups | |
| | - Where there is known engagement with fisher, migrant, and worker rights groups, describe how this occurs and the organisations engaged with workers in the Unit of Assessment (UoA). | |
| СН | In the Sakhalin district there is a regional organization of the trade Union of fishery workers of the Russian Federation. Up to date, this organization does not interact actively with the group of companies "Gidrostroy", which is always open to cooperation. | |
| 6 | Crew contracts | |
| | - Describe the nature of contracts or legal work agreements in place in the UoC and the issues addressed in such agreements. | |
| СН | An employment contract is concluded with all the crew members. The subject of the Agreement is the mutual obligations of the parties on working conditions, including wages, employment, retraining, conditions of release of workers, working hours and rest time, improvement of working conditions and safety, social guarantees, and other issues identified by the parties. With the employees of coastal processing plants, working on a seasonal basis, are concluded fixed-term employment contracts for seasonal work in accordance with the legislation of the Russian Federation. | |
| 7 | Audits and labour inspections | |
| | - Describe any 3rd Party audits and certifications on labour, or labour inspections conducted within the UoC in the last two years. | |
| СН | Scheduled inspections of The Labor Inspectorate are carried out at the enterprises every 2 years. In case of need for an unscheduled inspection initiated by either employees or the 3rd party, these are carried out extraordinary. | |
| 8 | National minimum age requirements | |
| | Describe national minimum age requirements for crew members serving on vessels within the UoC. Describe systems in place, both regulatory and private sector systems, to ensure that crew members meet national minimum age requirements. Describe how this is checked, including enforcement within the UoC by the responsible governing authority | |

| | or oversight body such as labour inspectors. | | |
|----|--|--|--|
| СН | Throughout the Russian Federation there is a restriction on the minimum age for employment of 18 years. This requirement also applies to work on vessels. To ensure compliance with this requirement at the conclusion of the employment contract all employees provide an identity card, containing information on the age of the employee. | | |
| 9 | Repatriation | | |
| | - Describe how repatriation issues are dealt with in the UoC with respect visits end of contract, voluntary and involuntary termination, and freedom of movement and the extent to which these are included in contracts. | | |
| СН | N/A | | |
| 10 | Debt bondage | | |
| | Describe if there is evidence of systemic practices to impose costs on crew members for placement or brokerage fees, travel to the workplace, visa, medical, safety gear, clothing/protective gear, food at the workplace, communications access, remittance fees, repatriation, etc. If so, describe such practices and how debt bondage is avoided. | | |
| СН | All aspects of the employment relationship, including the costs of accommodation or brokerage fees, travel to the workplace, visa, medical care, safety equipment, clothing/protective equipment, food in the workplace, access to communication are detailed in the employment contract when hiring and fully comply with the legislation of the Russian Federation. | | |
| 11 | Grievance and remedy mechanisms | | |
| | - Please list any policies or measures (e.g. hotline) that are in place for crew voices to be heard and to report and remediate any instances of forced or child labour. | | |
| СН | Each of the company's employees working in the office, on vessels or fish processing plants, can contact the company's management to protect their rights. If the agreement is not reached, the employee can apply to the labor Inspectorate of the Sakhalin region with a complaint and initiate an extraordinary inspection. The Prosecutor's office of the Russian Federation also deals with complaints of violations of workers ' rights. | | |
| 12 | Identification documents | | |
| | - Describe policies and practice in place across the UoC to ensure that crew members have free and timely access to their identification documents, including National ID, passports, visas, etc. | | |
| СН | Identification documents are held directly by the crew members. | | |
| 13 | Additional comments | | |
| | - Do you have additional comments on labour practices within the UoC? | | |
| СН | | | |

| 14 Date this template was last updated | | Date this template was last updated |
|--|----|-------------------------------------|
| | | - DD/MM/YYYY |
| | СН | 04.08.2021 |

3. Appendix – Guidance on filling in the Certificate Holder Forced and Child Labour Policies, Practices and Measures Template

3.1 Composition of the fishery client group on behalf of who the statement is provided

If a fishery is in full assessment and the cost-sharing participants and arrangements are not yet determined, provide as much detail as possible regarding the expected cost-sharing entities that will comprise the client group, should the fishery achieve certification, and the relationship between such client group representatives and the vessel owners and operators in the Unit of Certification (UoC).

3.2 Responsibility for labour regulation

Provide information on laws and regulation and the authorities that have responsibility for labour regulations in the area in which the fishery operates, including flag state authorities where this is applicable. Describe how these are enforced.

3.3 Risk identification, mitigation and remediation

The information required in this section includes information known by the certificate holder on processes and practices that are applicable in the UoC to identify, assess, prevent and mitigate forced and child labour risks. The information may include government policy or measures, or where applicable, measures being implemented by the certificate holder.

Crew recruitment

The information required here includes information on the methods used to recruit crew in the UoC, any widespread use of migrant labour, the countries that crew come from and information on recruitment agencies used where this information is available and known to the certificate holder. It may also include information known of visa programs used to bring in workers to the UoC and on payment of recruitment fees.

3.4 Engagement with fish worker groups

In some countries, there may be engagement with fish worker groups or other types of organisations that work to address risks of forced labour. Where this occurs provide information on such engagement. This may include information on any organizations in the port area which support crew members socially, e.g. seafarers' ministry, fishers' association, local committees.

3.5 Crew contracts

Contracts are legal work agreements with labour duties and payments clearly spelled out. Describe the nature of crew contracts in the UoC, specifically features related to forced and child labour, whether the contracts are written in languages understood by crew and how provisions in the contract are enforced.

3.6 Audits and labour inspections

Describe any government labour inspections or social audits and certifications of working conditions within the UoC in the past 2 years. Where the information is available provide a link to the criteria against which the audit took place.

3.7 National minimum age requirements

For this section describe national minimum age requirements and provide a description of regulatory and private sector systems in place to confirm that minimum age restrictions are met. Include information on any exceptions to statutory minimum age requirements which are used by the UoC and information on policy for hiring young workers in compliance with national legislation. This should also include description of any policy or practices for monitoring including hours of work and rest for young workers. This may include information on any other programs which are monitoring labour in your UoC fishing area.

3.8 Repatriation

This section requires a description of how departure of crew members across the UoC is handled. This may include information about government, and/or where known, any applicable company policy on end of crew members' contracts; involuntary termination; leave (including family visits and medical treatment); freedom of movement during the work term and departure terms within crew member contracts.

3.9 Debt bondage

Deductions for costs of work from pay can cause debt bondage and put crew at risk of forced labour. Examples of such work costs include costs of getting to work, placement/broker fee, medical costs, safety gear, food at the workplace, remittance fees and repatriation costs.

Describe systems in place to avoid debt bondage. If there is evidence of systemic practices to impose costs on workers, what measures are in place to avoid debt bondage.

3.10 Grievance and remedy mechanisms

Provide a description of systems known to be in place that allow crew to share information, access assistance and report labour violations and how the systems work to address such reports and provide remediation.

3.11 Identification documents

Describe provisions across the UoC for crew to access their official identification (passports, visas, seafarers book). Where the law in a jurisdiction requires the vessel owner or captain to hold the crew members' official identification, describe the protocol, including government regulations in place to ensure that crew members can access their personal documents and have freedom of movement.

4. Template information and copyright

This document was drafted using the 'Certificate Holder Forced and Child Labour Policies, Practices and Measures Template v1.0'.

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Template version control

| Version | Date of publication | Description of amendment |
|---------|---------------------|--|
| 1.0 | 17 December 2018 | Release alongside Fisheries Certification Process v2.1 |

A controlled document list of MSC program documents is available on the MSC website (msc.org)

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