

## **POLICY- Human Rights Impact Assessment (HRIA) and Human Rights Due Diligence (HRDD)**

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Owner	Internal Controls & Compliance & Crewing team

### **1. Introduction**

A human rights impact assessment (HRIA) is a process for identifying, understanding, assessing and addressing the adverse effects of a business project or activities on the human rights of impacted rights-holders such as workers and community members. HRIAs can take various shapes and be led by different stakeholders but should share the goal of protecting human rights and improving accountability of businesses for their adverse impacts on human rights. The UN Guiding Principles establish the corporate responsibility to respect human rights.

The foundation principles include the responsibility of business enterprises to respect human rights. That the business enterprises should avoid causing or contributing to adverse human rights impacts through their own activities and address such impacts when they occur; Seek to prevent or mitigate adverse human rights impacts that are directly linked to their operations, products, or services by their business relationships, even if they have not contributed to those impacts.

For these Guiding Principles a business enterprise's "activities" are understood to include both actions and omissions; and its "business relationships" are understood to include relationships with business partners, entities in its value chain, and any other non-State or State entity directly linked to its business operations, products, or services.

To meet their responsibility to respect human rights, business enterprises should have in place policies and processes appropriate to their size and circumstances and a human rights due diligence process.

### **2. Reference documents**

The following document have been referred when drafting this Human Rights Impact Assessment (HRIA) and Human Rights Due Diligence (HRDD)-

- UN Guiding principles on Business and Human rights
- The Universal declaration of Human rights (UDHR)
- ILO Declaration of fundamental principles and Rights at work

### 3. Objectives and scope of a Human Rights Impact Assessment

The objectives of the HRIA are for/to:

- **Wallem Group acknowledging responsibility to strengthen human rights.**
  - To make this HRIA meaningful the management acknowledges the responsibility to safeguard and strengthen human rights.
  - As per the UN operational principles for corporate responsibility to respect human rights, the policy is approved at the senior level of Wallem.
  - CEO to lead responsibility for human rights where the Managing Director possess operational responsibility. The Board of Directors is responsible for oversight and ensuring respect for human rights throughout our business activities.
- **Identifying the impact on Human Rights resulting from the Company's activities.**
  - Wallem Group provides diversified services in multiple areas of operations such as Wallem Ship Management (WSM) and associated companies,
  - Wallem Fleet Operations Solution, Crew Management, Wallem Ship Agency (WSA), Wallem Commercial Services (WCS), Seasafe Procurement Solutions (MBS), and the Seasafe Marine.
  - With such a diversified portfolio of services it is but natural that Wallem is involved in business with multiple organizations and entities and therefore may have an impact on the lives of internal and external stakeholders.
- **Identify affected and potentially affected stakeholders.**

For the purposes of the HRIA, the focus is identifying stakeholders whose Human Rights are affected or potentially affected. These can be employees, community members, supply chain workers, consumers, and seafarers.
- **Engaging with the stakeholders.**

Where possible engagement with stakeholders should be done. In situations where there are multiple stakeholders or where there is not a common opinion among the stakeholders, a representative of the stakeholders or a third party can be engaged. Any mode of communications such as telephone, email, internet, feedback forms, debriefings can be used for the communication and engagement.
- **Standards of Human rights.**

Before steps are taken to mitigate risks to human rights, it is pertinent to know the accepted standards of human rights.

The UN General Assembly, Proclaimed this Universal Declaration of Human Rights as a common standard of achievement for all peoples and all nations:

- *Article 1 All human beings are born free and equal in dignity and rights. They are endowed with reason and conscience and should act towards one another in a spirit of brotherhood.*
- *Article 2 Everyone is entitled to all the rights and freedoms set forth in this Declaration, without distinction of any kind, such as race, colour, sex, language, religion, political or other opinion, national or social origin, property, birth, or other status. Furthermore, no distinction shall be made based on the political, jurisdictional, or international status of the country or territory to which a person belongs, whether it be independent, trust, non-self-governing or under any other limitation of sovereignty.*

- *Article 3 Everyone has the right to life, liberty, and the security of person.*
- *Article 4 No one shall be held in slavery or servitude; slavery and the slave trade shall be prohibited in all their forms.*
- *Article 5 No one shall be subjected to torture or to cruel, inhuman or degrading treatment or punishment.*
- *Article 6 Everyone has the right to recognition everywhere as a person before the law.*
- *Article 7 All are equal before the law and are entitled without any discrimination to equal protection of the law. All are entitled to equal protection against any discrimination in violation of this Declaration and against any incitement to such discrimination.*
- *Article 8 Everyone has the right to an effective remedy by the competent national tribunals for acts violating the fundamental rights granted him by the constitution or by law.*
- *Article 9 No one shall be subjected to arbitrary arrest, detention, or exile.*
- *Article 10 Everyone is entitled in full equality to a fair and public hearing by an independent and impartial tribunal, in the determination of his rights and obligations and of any criminal charge against him.*
- *Article 11 1. Everyone charged with a penal offence has the right to be presumed innocent until proved guilty according to law in a public trial at which he has had all the guarantees necessary for his defence. 2. No one shall be held guilty of any penal offence on account of any act or omission which did not constitute a penal offence, under national or international law, at the time when it was committed. Nor shall a heavier penalty be imposed than the one that was applicable at the time the penal offence was committed.*
- *Article 12 No one shall be subjected to arbitrary interference with his privacy, family, home, or correspondence, nor to attacks upon his honour and reputation. Everyone has the right to the protection of the law against such interference or attacks.*
- *Article 13 1. Everyone has the right to freedom of movement and residence within the borders of each State. 2. Everyone has the right to leave any country, including his own, and to return to his country.*
- *Article 14 1. Everyone has the right to seek and to enjoy in other countries asylum from persecution. 2. This right may not be invoked in the case of prosecutions genuinely arising from non-political crimes or from acts contrary to the purposes and principles of the United Nations.*
- *Article 15 1. Everyone has the right to a nationality. 2. No one shall be arbitrarily deprived of his nationality nor denied the right to change his nationality.*
- *Article 16 1. Men and women of full age, without any limitation due to race, nationality, or religion, have the right to marry and to found a family. They are entitled to equal rights as to marriage, during marriage and at its dissolution. 2. Marriage shall be entered into only with the free and full consent of the intending spouses. 3. The family is the natural and fundamental group unit of society and is entitled to protection by society and the State.*
- *Article 17 1. Everyone has the right to own property alone as well as in association with others. 2. No one shall be arbitrarily deprived of his property.*
- *Article 18 Everyone has the right to freedom of thought, conscience, and religion; this right includes freedom to change his religion or belief, and freedom, either alone or in community with others and in public or private, to manifest his religion or belief in teaching, practice, worship, and observance.*
- *Article 19 Everyone has the right to freedom of opinion and expression; this right includes freedom to hold opinions without interference and to seek, receive and impart information and ideas through any media and regardless of frontiers.*
- *Article 20 1. Everyone has the right to freedom of peaceful assembly and association. 2. No one may be compelled to belong to an association.*

- *Article 21 1. Everyone has the right to take part in the government of his country, directly or through freely chosen representatives. 2. Everyone has the right to equal access to public service in his country. 3. The will of the people shall be the basis of the authority of government; this will shall be expressed in periodic and genuine elections which shall be by universal and equal suffrage and shall be held by secret vote or by equivalent free voting procedures.*
- *Article 22 Everyone, as a member of society, has the right to social security and is entitled to realization, through national effort and international co-operation and in accordance with the organization and resources of each State, of the economic, social, and cultural rights indispensable for his dignity and the free development of his personality.*
- *Article 23 1. Everyone has the right to work, to free choice of employment, to just and favourable conditions of work and to protection against unemployment. 2. Everyone, without any discrimination, has the right to equal pay for equal work. 3. Everyone who works has the right to just and favourable remuneration ensuring for himself and his family an existence worthy of human dignity, and supplemented, if necessary, by other means of social protection. 4. Everyone has the right to form and to join trade unions for the protection of his interests.*
- *Article 24 Everyone has the right to rest and leisure, including reasonable limitation of working hours and periodic holidays with pay.*
- *Article 25 1. Everyone has the right to a standard of living adequate for the health and well-being of himself and of his family, including food, clothing, housing and medical care and necessary social services, and the right to security in the event of unemployment, sickness, disability, widowhood, old age, or other lack of livelihood in circumstances beyond his control. 2. Motherhood and childhood are entitled to special care and assistance. All children, whether born in or out of wedlock, shall enjoy the same social protection.*
- *Article 26 1. Everyone has the right to education. Education shall be free, at least in the elementary and fundamental stages. Elementary education shall be compulsory. Technical and professional education shall be made generally available and higher education shall be equally accessible to all based on merit. 2. Education shall be directed to the full development of the human personality and to the strengthening of respect for human rights and fundamental freedoms. It shall promote understanding, tolerance, and friendship among all nations, racial or religious groups, and shall further the activities of the United Nations for the maintenance of peace. 3. Parents have a prior right to choose the kind of education that shall be given to their children.*
- *Article 27 1. Everyone has the right freely to participate in the cultural life of the community, to enjoy the arts and to share in scientific advancement and its benefits. 2. Everyone has the right to the protection of the moral and material interests resulting from any scientific, literary, or artistic production of which he is the author.*
- *Article 28 Everyone is entitled to a social and international order in which the rights and freedoms set forth in this Declaration can be fully realized.*
- *Article 29 1. Everyone has duties to the community in which alone the free and full development of his personality is possible. 2. In the exercise of his rights and freedoms, everyone shall be subject only to such limitations as are determined by law solely for the purpose of securing due recognition and respect for the rights and freedoms of others and of meeting the just requirements of morality, public order, and the general welfare in a democratic society. 3. These rights and freedoms may in no case be exercised contrary to the purposes and principles of the United Nations.*
- *Article 30 Nothing in this Declaration may be interpreted as implying for any State, group, or person any right to engage in any activity or to perform any act aimed at the destruction of any of the rights and freedoms set forth herein.*

- **Mitigating measures to prevent risk to Human rights.**

The mitigating measures should either prevent the adverse impact of human rights or reduce it to such an extent which is acceptable to the stakeholders.

The mitigation measures may also include steps which will undo the adverse impact which has already been caused.

Few examples of mitigating measures can be redrafting the conditions of the proposed contract, cancelling a contract, conducting planned and unplanned audits and amendments to the policies or manuals.

- **Monitor the effectiveness of the mitigating measures.**

The effectiveness of the mitigating measures should be reviewed periodically. If any commitments to stakeholders have been made same should also be reviewed to prevent miss outs.

Management review meetings should be utilized to ensure the effective implementation of Human rights impact assessment (HRIA).

## 4. Remediation

Even with the best policies and practices, the company may cause or contribute to an adverse human rights impact that it has not foreseen or been able to prevent. Where the company identifies such a situation, whether through its human rights' due diligence process or other means, it will require an active engagement in remediation, by itself or in cooperation with others.

## 5. Human Rights Due Diligence (HRDD)

Human rights due diligence should cover adverse human rights impacts that Wallem's business, may cause or contribute to through its own activities, or which may be directly linked to its operations, products, or services by its business relationships.

HRDD may vary in complexity with the size of the business enterprise, the risk of severe human rights impacts, and the nature and context of its operations.

HRDD should be ongoing, recognizing that the human rights risks may change over time as the business enterprise's operations and operating context evolve.

An example of a Human right due diligence is as below.

Task	Human right Impact Assessment	Identification of the Human right which can possibly be violated	Identification of Stakeholders	Mitigating measures
Vessel of a new owner coming into management	Possible violation of human rights in case of	Violation of Article 23 of universal declaration of	WSM, Seafarers, WSA,	Wallem to ensure prior signing a contract that

	funds for Wages to the crew not released in a timely manner by the owner	human rights "Everyone who works has the right to just and favourable remuneration ensuring for himself and his family an existence worthy of human dignity"	Husbandry Agents	<p>sufficient funds should be available to them in a timely manner from the owners for release of crew wages and agency fees.</p> <p>Verification of the credentials of the owner should be done.</p> <p>The owners past association with other business entities should also be verified from all available sources.</p>
Owner restricting the number of crew onboard below the recommended manning levels as per the company's procedures	Possible violation of human rights in case vessel trading pattern or vessel condition is not conducive for sufficient rest to crew onboard	Violation of Article 24 of Universal declaration of human rights" Everyone has the right to rest and leisure, including reasonable limitation of working hours and periodic holidays with pay". MLC 2006 & STCW W&R (Work and Rest) requirement.	Seafarers, WSM	<p>Rest hours monitoring team to monitor work and rest hours onboard the vessel.</p> <p>Wallem to agree through Shipman with a ship owner about recommended manning levels as per the company's manual and W&amp;R requirements.</p>

## 6. Approval List

John Kaare Aune- Chief Executive Officer

## 7. Familiarisation list

Wallem employees (working under the Wallem Group, including subsidiaries)

## 8. Revision history

Date	Version number	Revision Description	Developed by (Name, Role)
30 May 2023	1.0	Initial edition	Agnes Poon, Head of Internal Controls & Compliance & Praveen Shukla, Crewing Director

## Key terms for the purpose of HRIA AND HRDD

Human Rights	Human rights are rights inherent to all human beings, regardless of race, sex, nationality, ethnicity, language, religion, or any other status.
Stakeholder	A stakeholder is a party that has an interest in a company and can either affect or be affected by the business. For the purposes of the HRIA, the focus is identifying stakeholders whose Human Rights are affected or potentially affected.
Ship Management	Company managing different vessels of various owners by a team of professionals working under Technical, Operations, Safety, Crewing and Training departments.
Fleet operations solution	Company's fleet operations solution facilitates collaboration between shore and sea staff across different teams and departments
Crew management	Company providing crewing services on various type of vessels through an integrated crew management system.
Ship agency	Company providing full port agency services from pre arrival preparations, in port support to post departure reporting
Commercial services	Company providing commercial services through commercial management, Asset protection, Advisory & Investment solutions and Cargo management.
Procurement solutions	Company providing full technical procurement management
Lifeboat safety solutions	Company providing complete Lifeboat safety and compliance solutions