

Assessment of Regenerative Agriculture practices

REGENERATIVE AGRICULTURE Social Handbook

V 1 Dec 2022



DANONE REGENERATIVE AGRICULTURE



Climate change is accelerating, and agriculture today represents around 24% of the world's greenhouse gas (GHG) emissions, and roughly 70% of the world's water footprint¹. The conventional farming model has shown its limits: soil quality is degrading, biodiversity is disappearing, water quality is declining, water scarcity is increasing and if we remain on this conventional road, we will struggle to find enough arable topsoil to feed the world's population within 50 years¹. People working in agriculture has also declined sharply with the average age of a farmer now 60² as young people don't see a future in farming. The need to embrace a new farming model is clear. One that can transform agriculture from a challenge, into a solution. Our solution is regenerative agriculture.

Regenerative Agriculture is a system of farming principles³ and practices that increases biodiversity, enriches soils, improves watersheds, enhances the ecosystem, empowers future farming generations and creates decent working conditions. It is a response to the overwhelmingly predominant current practices that encourage the release of carbon dioxide in the atmosphere and the degradation of our soils. Adopting regenerative agriculture enables farmers and farm workers to improve their livelihoods and working conditions making the sector more attractive for the next generation. Supporting agricultural development is also one of the most powerful tools to end extreme poverty, boost shared prosperity, respect human rights and achieve the world development goals as globally 2/3 of those in poverty work in agriculture⁴.

Farmers and farm workers are the lead actors in the transition to regenerative agriculture, and we are committed to supporting them whether they are just starting on this journey or well on their way. Together with over 50,000 farms, and partners, we want to expand the regenerative agriculture movement, improve the livelihoods and conditions of farmers and farm workers, to make the sector more attractive for future generations.

Our engagement is based on 3 main pillars: protecting soil, empowering generations of farmers, and promoting animal welfare. It is supported by a scorecard and on-farm assessment tools to establish a diagnosis of farm practices and support the definition and implementation of ad-hoc continuous improvement plans for and with farmers.

This document is designed to provide guidance for completing the second pillar "empowering generations of farmers" scorecard assessment and highlight best practice for farmers and farm workers to improve their performance and working conditions.

- 1.Regenerative Agriculture Danone https://regenerative-agriculture.danone.com/mission/
- 2. BBC aging crisis threatening farming https://www.bbc.com/future/bespoke/follow-the-food/the-ageing-crisis-threatening-farming/
- 3. FAI Farms https://www.faifarms.com/regenerative-
- landing/#:~:text=Regenerative%20agriculture%20is%20a%20system,current%20trends%20of%20atmospheric%20accumulation.
- 4. World Bank https://www.worldbank.org/en/news/feature/2014/11/12/for-up-to-800-million-rural-poor-a-strong-world-bank-commitment-to-agriculture

REGENERATIVE AGRICULTURE

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REGENERATIVE AGRICULTURE

Handbook Social- Overview



A. Purpose of Danone social scorecard

Regenerative agriculture is one of Danone's main priorities, fitting into the larger mission to bring health through food to as many people as possible. Core to Danone One Planet, One Health strategy is supporting our diverse farming supply base with a holistic assessment tool, which is locally adapted and relevant for the diversity of farm size and employment situations. To evaluate farms strengths and improvements areas, and promote the adoption of best practices.

This scorecard has 3 main ambitions:

Develop a baseline picture of social practices in order to promote and support farmers to improve Advance a common understanding of good social practices to all farms and territories

Adapt the general scorecard back bone to specific farming & employment situations

Danone intends to apply its social scorecard to different types of employment situations

- farms employing workers from foreign nationalities
- farms employing temporary workers
- farms employing workers under 18
- farms providing accommodation to workers

The final purpose is to provide Danone with an overview and understanding of farmers' livelihoods and ability to transition towards regenerative agriculture, and of farm employees' working conditions. To support changes to the agricultural system, it is essential to have an interconnected approach that included social and environmental outcomes. Based on the results, Danone will work with the engaged farmers to move towards better practices, that regenerate the environment and advance social practices. Danone is committed to adopt a collaborative and voluntary approach and work hand in hand with farmers, suppliers and partners for the benefit of the whole supply chain.

The social scorecard is digitalized and embedded as a Survey within the Transparency One platform.

Specific training material is available to explain how to connect to the Transparency One platform and launch the social survey with farmers and suppliers.





B. Purpose of this Handbook (Social)

This Handbook is designed to help technicians and practitioners assess farms' level of adherence to regenerative agriculture social principles, based on Danone Social scorecard, and advise them on continuous improvement plans and best practices. It provides a brief description of the practices being assessed and further details on how to rate these practices on a farm, with tips and examples.

Where to find the tool?

- 1. You can find the tool under the Transparency One platform:

 https://app.transparency-one.com/auth/login?ReturnUrl=https:%2F%2Fapp.transparency-one.com%2F.
 - If you are not already a user of the platform, please ask access to the tool by raising a ticket on Service Now.
- 2. Ask to your Danone contact be trained to the Transparency One tool and the social RegAg survey before using it and launch assessments.

What to do once the assessment is finished?

The results will be directly sent to Danone platform. They will also be sent by email to the addresses you entered at the end of the assessment, before submitting the survey.

Where can I find the FAQs?

Please visit our Danone Knowledge Center: the FAQ will be regularly updated and do not hesitate to use the Get in touch section or contact the Danone Global Regenerative Agriculture team to raise any additional questions. https://regenerative-agriculture.danone.com/





C. Presentation of the Social scorecard

COVER	>	GUIDELINES	>	FARM	GEI	NERAL INFORMATION	>	PROFILE	>	
FARMER	LIVI	ELIHOODS & AL	JTO	NOMY	>	HEALTH & SAFETY	>	LABOUR CO	ONDITIONS	>
DANONE	TE	RMS & CONDITI	ON	S						

GUIDELINES

- Indicate the date using format (DD/MM/YYYY)
- Confirm that the farmer agrees with the Data privacy policy and the Applicability of the scorecard using "Yes" in the drop-down list
- Acknowledgment of the applicability: the questions refer to the total farm not just the part of the farm Danone purchases from except for a few questions relating to farm production (type of crops, vol /number of cows please refer to Danone supply chain productions only).
- Both the Data privacy policy and the Applicability of the scorecard need to indicate "Yes" before you can move on to the next tab
- Basic information about **who is completing the scorecard:** Danone Technician, 3rd party, supplier

FARM GENERAL INFORMATION

- Farm ID details: farm name, farmers name & Surname, City, Zip code, Country and GPS coordinates if available common
- Type of farm activity: 5 main types of production are identified: Livestock producer only; Livestock and crops (cereals and/or pasture) producer; orchards producer; strawberry producer; sugar beets and ground crops producer. All farms of the 5 types answer to all the Social survey questions.

PROFILE

- **Profile objective**: build Danone's understanding of the farm operation
- Farmer profile not scored: no right or wrong answer
- 1 exception: Danone is eager to recognise **certification** through scoring: Farms that are already part of schemes to advance social practices
- Section focusing on understanding the workforce working and living on the farm. Please complete for all those working on the farm, whether paid or unpaid, both currently and in peak production.
 - Peak Production is the month when the farm is busiest in the year and requires the most additional labour.
 - A temporary worker is an employee who has been hired for a position with a pre-determined time limit. This can also apply to family members and voluntary workers
 - A Labour Provider/ agency/broker is a third party who provides labour to the farm.



DANONE - REGENERATIVE AGRICULTURE

Handbook - Overview



 Does the farm supply Danone directly: This could be to a Danone factory directly or if the farm supplies through a cooperative direct to a Danone factory, it is also considered direct.



- **Certification**: We are keen to recognise farms that are already undergoing social assessments to improve working conditions.
 - The drop down list includes; Global GAP, GRASP, SAI Platform FSA Silver, SAI Platform FSA Gold, Sedex Smeta audit, Regenerative Organic certified, Fairtrade, Validus, Bcorp and FARM.
 - Please select all that apply to the farm and include date of last audit and Registration / Membership number if known.
 - If there is an audit the farm has that includes social questions on labour standards that isn't listed please note in the other box so we can update the scorecard to capture in 2023.



- Section to understand farming realities. At Danone we see regenerative farming should in time support farms to be more resilient to economic pressures and help to improve livelihoods.
 - Contract: Does the farm have an ongoing commitment from Danone in the form of a contract to supply and if it does is the contract price sufficient to meet your cost of production*.



^{*} More detail on how to calculate the cost of production is included Farmer Livelihoods & Autonomy section

DANONE - REGENERATIVE AGRICULTURE

Handbook - Overview



Part of a cooperative. When farms are part of a cooperative or a farmers' collective organization they can access better value, inputs, services or technical support, or leverage better market access. So its helpful to understand what proportion of Danone supplying farms are.





Danone Support. Danone has a history of supporting farms and we are keen to understand if the farm has benefited in the last 5 years from financial and/or technical support through projects supported by Danone or a Danone Fund and if this has helped advance regenerative agricultural practices being adopted. The question asks the farm to indicate if the funding was specifically focused on;

- Regenerative Agriculture environmental practices*
 OR
- targeted at supporting Regenerative Agriculture environmental practices* AND pursuing other purposes

OR

- not specific to Regenerative Agriculture.
- *investments or support related to animal welfare, herd management, genomics are included in this definition.
- Farmer Confidence. The last 2 questions are to understand
 - the level of confidence the farmer or the next generation has to continue to farm for the long-term (10+ years)
 - what are the barriers affecting that decision (Access to finance/low interest loans, income security, climate change, increase legislation OR other).

This insight will help Danone tailor support to help farmers in the future.

EXAMPLE of a barriers and opportunity analysis => CONFIDENCE		
Barriers drop down list	Description of opportunity	
Access to finance	 Join a collective organization to get access to information, skills, network, support Research other possible sources of income than agriculture 	
Income security	Diversify cropsDiversify customersDirect sales to consumers	
Climate change - Crop Failure or Disease breakout	Diversify cropsInsurance	
Increased Regulation	 Join a collective organization to get update and support for implementation 	
Other? Free box E.g., youth willing to take over?		





D. Social practices evaluated

This Handbook is designed to help technicians and practitioners assess farms' level of adherence to regenerative agriculture Social principles, based on Danone Social scorecard, and advise them on continuous improvement plans and best practices. It provides a brief description of the Social practices being assessed and further details on how to rate these practices on a farm, with tips and examples.

The Social scorecard covers 3 main categories of practices to evaluated



- 1. Farmer Livelihoods & Autonomy
- 2. Health & Safety
- 3. Worker Labour Rights

E. Scoring

There are 4 levels of scoring which the tool calculates based on the farm's answers:

- ➤ Level 0 (Getting Started) This level means that the baseline is not met by the farmer i.e., the farmer does not follow any practices considered to support regenerative agriculture on this specific criteria.
- ➤ Level 1 (Initiated) The baseline i.e., the minimum required in order to have an acceptable level of social adherence to regenerative agriculture practices.
- ➤ Level 2 (Advanced) Level 1 is met, and some good practice is implemented, meaning the producer's adherence in social regenerative agriculture practices is good.
- ➤ Level 3 (Best in class) Level 2 is met, and some best-in-class practice is implemented, proving that the producer is an ambassador of the best practice.

Scorecard and scoring fundamental principles:

- Unless otherwise stated, all calculation methodologies in this document have been developed by Danone and its partners.
- It is important to note that Danone does not expect perfect scores. The aim is for farmers and their technicians to better understand social Regenerative Agriculture requirements and be familiar with the best practices associated so they can improve working practices over time.



FARMER LIVELIHOODS & AUTONOMY

Assessment





High level description

FARMER LIVELIHOODS & AUTONOMY



Focusing on the prosperity of farmers makes the business of agriculture more sustainable for all involved. By Danone partnering with farmers, they can adopt and scale regenerative agricultural practices that build long-term economic viability of their farming businesses. This can enable living incomes, greater gender empowerment and strengthen agricultural supply chains in an economically and sustainable way that helps build more resilient farms and communities.

This first version of the scorecard includes one scored question to understand the maturity of financial management system in place at the farm. In the comments box, Danone would be interested to understand what prevents the farm from improving their financial management system.



Financial management

Farms need to be able to demonstrate that records of yields, costs, income and profitability are kept and that some financial indicators are known and monitored. Should the documents be unavailable (not ready) for the current year, last year's records can be used.

<u>Best practice:</u> Strategic planning is long-range planning, as farming is a long term venture, and it looks at least three years, short and long term goals, records and benchmarks reviewed at least yearly. Having a plan will increase the viability of the business (making it sustainable) by providing guidance for planning activities, keeping stakeholders (including customers) well informed, support obtaining financing, and improving overall communications

0	Level 0	No, we do not
0	Level 1	Basic financial performance KPIs known + financial means to maintain the activity the next year
0	Level 2	As above AND a business planning is in place, including forecast over next 3 years
(a)	Level 3	As above AND farm has developed a financing strategy on different horizons (assets, working capital,) to optimize long term economic viability, potentially including moving towards Regenerative Agriculture practices



EXAMPLE

At a high level, the calculation for production cost per tonne of product is relatively simple:

- •Add together all variable and fixed costs (£/ha)
- •Then divide the total by the average yield (in Tonnes) for £/t

Including all costs provides the most accurate measure of overall profitability and is very different from gross margin calculations, which exclude fixed costs, and are typically used for simple benchmarking or comparisons.



Best practices





What are the recommended practices?

- Maintain records to show cash flow to help justify and explain your economic decisions and profitability of your farming operations.
- Implement measures that contribute to the longterm economic viability of the farm such as training, succession planning, market forecasting, planned investments, applying efficiency measures, and developing other income sources
- Be able to justify and explain economic decisions based on consideration of risks. e.g., If only growing one crop, what are you going to do in the event of a crop failure due to disease or the weather?
- Show that you comply with relevant financial reporting and accounting standards and principles, as well as tax laws and regulations
- Develop a written business and investment plan to show the resilience of your business, demonstrating knowledge of risks, financial planning, planned and future yields, market forecasting etc





What are the non-recommended practices?



- Don't hide or overstate transactions or alter documents or records. Truthfully, accurately and completely reflect exactly what has occurred.
- Never destroy records that are relevant to a threatened or pending investigation or legal proceeding. Retain records and any supporting documentation in a manner and for as long as statutory or internal rules require.
- Use clear and concise language when communicating to reduce the likelihood that the content is misinterpreted, misused or taken out of context



How to best implement the good practice

Financial stability is the businesses capacity to sustain itself financially in the long term. The development of a good business plan gives a forward-looking view to the farm, and to your skills as a farm owner or manager to maintain a viable business. The business plan will highlight weaknesses in your operations and how the farm is run, providing helpful insight for continual improvements, profitability, securing long-term viability and increasing resilience.

Before writing a business plan, you will need to research the sectors you are currently working in - including any future economic prospects for these sectors and relevant regulations that apply to your area of business. Using this research data, your farm's unique characteristics (e.g. soil type and location) and farm records of inputs, yields, costs, income and profitability it is possible to develop a sustainable business plan that assesses the suitability of your land for planned activities and the long-term economic viability of the farm.







High level description

HEALTH & SAFETY



In terms of fatalities, injuries and work-related ill-health agriculture is one of the three most hazardous sectors of activity. According to ILO estimates, at least 170,000 agricultural workers are killed each year and many more injured. This means that workers in agriculture run twice the risk of dying on the job compared with workers in other sectors.

A farmer adopting robust Health & Safety management recognises the benefits of reducing incidents and ill health amongst their workers', as well as business benefits of less days lost.

Training

Training is critical for making long-term improvements in many aspects of sustainable production and should highlight topics such as the legal aspects, use, storage, environmental, safety and other precautions.

<u>Best practice:</u> The training plan must show that all mandatory training is kept up to date and additional training is considered to further develop the business and improve farm sustainability. Any training given can be evidenced through certificates, proof of participation (registration lists), and/or worker interviews..

- Have all permanent workers who handle or use fuel, fertiliser, or hazardous substances received effective instructions and training on their safe handling, use and application?
- O Has a record of this training been retained?
- Where applicable, have all temporary who handle or use fuel, fertilisers or hazardous substances received effective instructions and training on their safe handling, use and application?
- O Has a record of this training been retained?



EXAMPLE

Give training in languages workers understand and ensure warning signs are understandable by everybody on the farm



Prevent hearing loss









2

H&S Risk Assessment

A risk assessment is not about creating huge amounts of paperwork, but rather about identifying sensible measures to control the risks in your workplace. It helps you to think about how accidents and ill health could happen and concentrate on real risks — those that are most likely, and which will cause the most harm.

<u>Best practice</u>:Farms need to be able to show that the risk assessments are reviewed and updated at least annually, sooner when any changes to the procedures are made that could influence the risk profile of the farm. Health risks may include animal risks, using/applying fertiliser or chemicals (agrochemicals or other), handling waste, using machinery, working circumstances (e.g., working at height), fire, flood, power failure, freezing, failure of water supply, and design and set-up of storage and workshops.

- Have you identified the Health and Safety risks associated with your activities?
- Have you implemented remedial actions to safeguard the health and safety of all permanent and temporary workers, contractors, visitors and the community?



Example of health and sa	fety risk assessment and actions
Description of the risk	Description of preventive action
Workers get injured during harvesting for working with sharp objects	- Organize training to safely handle equipment - Have an emergency plan in case an accident happens
Agrochemical Storage is accessed by unauthorized people	Put warning signs Lock the storage
Machinery breaks down during operations	Frequently maintain machinery
Fire	Install fire equipment at high-risk areas
Agrochemical applications	Have PPE available for all workers

HAZARDS ACTIONS Blind Area Break Rever Hard Rever Blind Area







Emergency Contacts

It is important there are emergency contact details provided in all respective languages, so all workers and visitors know; The farm's map reference and/or farm address, Contact person(s) and an up-to-date list of relevant phone numbers (police, ambulance, hospital, fire-brigade, access to emergency health care on site or by means of transport, supplier of electricity, water and gas).

<u>Best practice:</u> Emergency contact details shall be provided in all respective languages used to communicate to and by permanent, temporary and seasonal workers and, where possible, using large, visible signage strategically displayed in key positions around the farm and in farm vehicles..

Are emergency contact details available and easily accessible at the farm to meet all reasonably foreseeable emergency medical situations?



EXAMPLE

The procedures shall identify the following:

- The farm's map reference and/or farm address
- Contact person(s)
- An up-to-date list of relevant phone numbers (police, ambulance, hospital, fire-brigade, access to
 emergency health care on site or by means of transport, supplier of electricity, water and gas)



Emergency contact details shall be provided in all respective languages used to communicate to and by permanent, temporary and seasonal workers and, where possible, using large, visible signage strategically displayed in key positions around the farm and in farm vehicles.

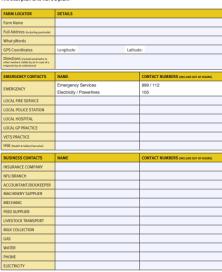


FARM EMERGENCY PLAN Farmers plan for unexpected weather events so why wouldn't you plan for an u

lan for unexpected weather events so why wouldn't you plan for an unexpected pening to you? One way to address this is by creating a farm emergency plan. predict when an emergency will occur, but you can be prepared.

conditions - could neip protect your ra

The best plan is to have a plan.





FARM INFORMATION	NAME	CONTACT NUMBERS (INCLUDE OUT OF HOURS)
PRIMARY CONTACT		
OWNER (if different from above)		
EMPLOYEES		
CONTRACTORS		
NEIGHBOURS		
FARM INVENTORY	DETAILS	APPROX NUMBERS
LIVESTOCK	DAIRY BEEF SHEEP POULTRY PIGS GOATS/OTHER	
CROPS		
AGRICULTURAL VEHICLES		
AGRICULTURAL MACHINERY		



Best practices





What are the recommended practices?

- Give training in different languages (if necessary) and ensure warning signs are understandable by everybody on the farm.
- Have a health and safety risk assessment covering all activities on the farm.
- Perform compulsory health and training sessions to ensure good awareness of health and safety requirements relevant to their role on the farm.
- Ensure all required PPE is available to minimise risk of injury or harm and all accidents and incidents are recorded and remedial action implemented
- Have appropriate first aid supplies available and easily accessible and personnel with first aid skills available at all times.







What are the non-recommended practices?

Not providing or providing inadequate or poorly maintained protective clothing and first aid equipment. Equipment needs to be easily accessible and well maintained. Regular training and inspection should be completed to ensure farm workers and visitors stay safe.

Not planning the job. Taking some time to STOP and THINK saves lives.



How to best implement the good practice

Planning is important in ensuring that a health and safety policy works in practice. Think through the actions and work out how they will happen in practice. Consider:



- ➤ Where you are now and what you want to achieve, e.g. how will you ensure that all on site are kept healthy and safe?
- What might cause harm to people and whether you are doing enough, or need to do more, to prevent that harm.
- How will you prioritise the necessary improvements
- ➤ Who will be responsible for health and safety tasks and providing training and information
- How will you measure and review whether you have achieved what you set out to do e.g., adopting safety incident and accident reduction targets
- ➤ What will incentivise permanent, temporary and seasonal workers to adopt and maintain good health and safety practices work?
- ➤ How frequently is training required? is there a requirement to consider cultural, language and ability to read?







High level description

WORKER LABOUR RIGHTS



When workers are registered, treated with respect, work in decent conditions and earn fair rates of pay, both they and the farm benefit from increased commitment and productivity. By Danone, supporting farmers to implement practices that enable Human Rights to be respected has a positive impact on peoples lives and the wider community.



Responsible Recruitment –Right to work

The farm or its recruitment agency must show how all permanent and temporary workers have a legal right to work (ID is sufficient for nationals).

<u>Best practice</u>: The farm and/or recruitment agency(s) need to keep copies of any legally required documents such as a passport, ID, right to work documentation, work permits, etc. but the original documents must not be withheld.

O you or your recruitment agency ensure that all permanent and temporary workers have a legal right to work?



Undeclared agricultural work is a systemic issue, which leaves those workers affected much more vulnerable to exploitation and abuse. This exploitation and abuse can take harsh forms: undocumented workers often toil in dangerous and/or unhygienic conditions; many do not receive their wages or receive less than agreed upon and are fired without being given due notice; if an industrial accident occurs, the lack of official proof of employment renders it complicated and often impossible to have any health care refunded; if an undocumented worker is apprehended for being engaged in illegal work, s/he will most of the time be deported without being able to claim his/her wages.



EXAMPLE

Copies of legally required documents are kept on farm to show permanent, temporary and seasonal workers have a legal right to work.







Responsible Recruitment – fairly treated

The farm or its recruitment agency has an awareness of the risk of forced or bonded labour and be able to describe measures the farm undertakes to prevent it.

Best practice: Where appropriate Recruitment agencies/ Labour providers should have an official licence to operate. The farm and/or recruitment agency(s) do not charge workers fees for the job they are offered that requires them to be in debt to the farm (or agency), or to be compelled to work for the farm (or recruiting agency) or prevented from leaving solely to pay off the debt. The farm does not withhold any part of any worker's salary, benefits, property or documents (e.g. identity cards and travel documents) in order to force such workers to continue working for them. Workers are allowed to leave the farm's premises at the end of their shifts. The farm (or its recruiting agency if relevant) does not participate in or allow human trafficking or any other form of Modern Slavery.

Oo you or your recruitment agency ensure that you are not using any form of forced or bonded labour, in accordance with relevant legislation and International Labour Organisation (ILO) Conventions?

This includes the 4 criteria⁸ described in the Guidance and that MUST be respected.

Forced labour (modern Slavery) is work that is performed involuntarily and under the menace of a penalty. It refers to situations where people are coerced through the use of violence or intimidation, or by more subtle means such as manipulated debt, threats of denunciation to immigration authorities or the retention of identity papers. In addition to being a serious violation of fundamental human and labour rights, the use of forced labour is a criminal offence. It is important that all workers are free, have given consent to take a job and retain the freedom to leave at any time. Migrant workers are more vulnerable to conditions of forced labour, especially when recruitment and hiring have been outsourced to labour recruiters.





EXAMPLE

The farm must be able to verbally explain how all permanent, and temporary workers are treated equally and with respect and dignity, entered into employment freely and are never prevented from leaving if they so wish. The measures to prevent any form of forced or bonded labour should include the *4 following criteria - they must be respected at all time:

- The farm (or its recruiting agency or labour provider if relevant) does not charge workers fees for the job they are offered that require them to be in debt to the farm (or agency), or to be compelled to work for the farm (or recruiting agency) or prevented from leaving solely to pay off the debt.
- The farm does not withhold any part of any worker's salary, benefits, property or documents (e.g., identity cards and travel documents) in order to force such workers to continue working for them.
- Workers are allowed to leave the farm's premises at the end of their shifts.
- The farm (or its recruiting agency if relevant) does not participate in or allow human trafficking or any other form of Modern Slavery.



WORKER LABOUR RIGHTS-RESPONSIBLE RECRUITMENT

Best practices





What are the recommended practices?

Have policies and practices that express a clear prohibition of forced, compulsory, bonded, indentured, and prison labour. Ensure all work is voluntary and workers enter into employment freely and terms and conditions are agreed to voluntarily, without deception or threat of penalty.

Only engage recruiters, agents, and sub-agents who have transparent policies and procedures and do not use trafficked labour. If you use recruitment agencies to supply workers, ensure that you fully understand their policies and procedures, they are not using forced or trafficked labour and all workers have a legal right to work. All recruitment fees should be paid by the farm. Workers should not be required to pay a fee in connection with securing employment.

Have a policy strictly prohibiting the use or threat of physical or sexual violence, harassment, intimidation or withholding wages.



What are the non-recommended practices?

- Retaining Personal documents rather than copies. In the event that personal documents are held by the employer or subcontractor due to legal requirements or upon request by the worker, these are immediately returned to the worker upon demand and without any preconditions.
- Providing non-cash or 'in-kind' benefits such as accommodation or transport to create a state of dependency of the worker on the employer. Ensure that these benefits do not mean that workers are not free to leave if they want to.





How to best implement the good practice

Start by conducting a risk assessment to understand your farms risks around the recruitment of labour. Train staff on how to spot the signs and what to do when they find an issue. Talk to workers and understand their experiences.

Further sources of information

- <u>ILO standards on forced labour</u>
- Verite Fair Hiring Toolkit
- Stronger2gether training and free resources



WORKER LABOUR RIGHTS -WAGES AND BENEFITS

Assessment





Wages and benefits

Have a farm policy and be able to present evidence that shows all permanent, and temporary workers are provided in a timely manner with a total compensation package that includes wages, overtime payments, benefits and paid leave.

<u>Best practice</u>: The package should meet or exceed the legal minimum standards/ appropriate prevailing industry standards, whichever is higher, and any terms established by legally binding collective bargaining agreements.

- O Do you ensure that wages and benefits of permanent and temporary workers are paid regularly?
- O po you ensure that wages and benefits of permanent and temporary meet the minimum required by relevant legislation or, in its absence, industry guidelines?



A worker who is paid below the living wage (enough to cover essential needs, see Glossary) which is sometimes the case with minimum wage, cannot afford necessities without assistance. This creates problems not only for workers, but also for businesses and the local economy.

A good working relationship where workers can live from their pay can also bring several business benefits. If each participant feels valued, understood, and appreciated it can lead to increased worker morale, improved worker health, and improved quality of service. It also lowers absenteeism, employee turnover, and recruiting and training costs. Living wages and living incomes for producers refers to a theoretical income level that allows individuals or families to afford adequate shelter, food, and other necessities.



EXAMPLE

The compensation system should be transparent to workers. All permanent, temporary and seasonal workers should ideally receive a physical or electronic payslip that details all elements of compensation, including:

- hours worked
- benefits received
- Legally mandated deductions.



WORKER LABOUR RIGHTS-WAGES AND BENEFITS

Best practices





What are the recommended practices?

All permanent, temporary and seasonal workers receive a compensation package that exceed the legal minimum standards/ appropriate prevailing industry standards, whichever is higher.

Any deductions are made in accordance with local law and the reasons for the deductions are clear to all.

All employees with a similar level of experience in an equivalent role receive an equivalent wage.

Provision is made for payment of at least minimum compensation whilst a worker is ill.





What are the non-recommended practices?

- Overtime should not be a means for making up inadequate wages. Workers should not be pressured to work overtime it must be voluntary.
- Piece rate is acceptable but comes with additional risk. Check that it is sufficient for all individuals to meet legal minimum standards. Adjust accordingly at the beginning and end of season and for new starters in training.
- Delaying payments. Workers should be paid on time and in full in line with the day stipulated in their contract.
- Not paying legally required social benefits (medical benefits, retirement funds, insurance etc.) or holiday pay. Paid leave and social benefits should be provided which is at least in line with national laws



How to best implement the good practice

Ensure the wage rates and payments are calculated with full transparency. Provide everyone with sufficient training so that they can understand how the payment is calculated, particularly making sure they understand the reasons for any deductions.

Regularly talk with workers to understand how the wage provided meets the needs of workers. Where there are gaps, address the shortfalls. Do adjust wages to reflect changes in the cost of living, worker and company performance.

Further sources of information

- ILO Frequently asked questions on wages and benefits
- SIZA Comic contracts to explain wages and benefits
- FLA and proforest guidance on minimum wage grievances
- FLA Fair Compensation dashboard
- IDH Living wage roadmap



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WORKER LABOUR RIGHTS - CHILD LABOUR AND YOUNG WORKERS

Assessment





Child Labour and Young Workers

Ensure the goals and requirements set out in the International Labour Organization (ILO) Minimum Age Convention are met, including those regarding minimum age, appropriate types of work for young workers, hours of work, health and education concerns

A child is a person under 15 years of age.

There are 2 exceptions to this definition (in accordance with ILO 138):

- 1. Where the **local minimum age**, under the law, for work or compulsory education **is higher**. In these cases, the higher age is applicable.
- 2. Where the local law/state law sets a minimum age of 14. In this case the lower age will apply.

Minors (from 12 to 14) are excluded from this scope under the following conditions and if the law allows for it:

- Only for light work and not forced or bonded labour;
- For a limited number of hours providing the work does not jeopardize their physical and mental well-being and does not interfere with their schooling or leisure time;
- No Work must take place at night or consist of heavy lifting duties or hazardous work conditions.

<u>Best practice</u>: Farms do not employ children under 15 years and ensure all children living on the farm are receiving schooling. The farm has clear policies in place to ensure workers under 18 years of age, or pregnant, do not carry out tasks that could be deleterious to their health or development

- O Do you prohibit the employment of minors below the age of 15 as permanent or temporary workers, in accordance with relevant legislation and International Labour organisation (ILO) Conventions? See exceptions above
- What is the age of the youngest worker working on the farm?
- Oo you (or would you if you employed minors) ensure that any minors employed do not conduct hazardous work or any work that jeopardises their physical, mental or moral well-being, in accordance with relevant legislation and ILO Conventions?



The two fundamental United Nations child labour conventions – <u>the Minimum Age Convention</u>, 1973 (no. 138) and the <u>Worst Forms of Child Labour Convention</u>, 1999 (no.182) – are highly ratified.

In the rural economy, eliminating child labour ensures the protection of the lives, safety and personal development of children who may otherwise be called upon to work on the farm. This protection is from being exposed to pesticides and other toxic substances, moving machinery or tools, lifting and transporting heavy loads, and working long hours in extreme temperatures with limited access to sanitation or drinking water. By coupling the policies for the eradication of child labour with investment in better schooling and social services there can be economic benefits. Schooled children can break the vicious circle of poverty. Such policies may also have a direct impact of lifting sub-standard wages previously paid to adult workers when there had been low-cost competition from child labour. Most countries create a legally enforceable national list that identifies where hazardous work is found and have measures to prohibit or restrict such work for children. Special consideration must also be given to the tasks given to young people aged between 15 and 18 years old. It is important that they are not exposed to risk due to:

- lack of experience
- being unaware of existing or potential risks
- lack of maturity.

All of this could jeopardise a child's physical, mental or moral well-being.



EXAMPLE

At the time of recruitment, employers should ask for proof of a young applicant's age. Employment agencies and other recruitment brokers must be instructed to follow the farm's standard on the minimum age for recruitment, facing a penalty (no more business) if they provide under-age workers. Employers should keep a register of young workers that lists their name, date of recruitment, birth date, department, job, work schedule (including education related restrictions) and supervisor's name. All workers should receive regularly training to understand risks for young workers



WORKER LABOUR RIGHTS- CHILD LABOUR AND YOUNG WORKERS Best practices





What are the recommended practices?

Have an employment policy in place specifying the minimum age for employment, with effective procedures and means of age verification to implement this policy

Have a policy clearly stating that individuals under the age of 18 are not allowed to carry out work in dangerous or unhealthy conditions that could result in death, injury or illness. This protection should preclude them from certain types of work, such as working with hazardous materials or working at night.

If using contract labour, ensure that the agency has an age verification process.

Take extra care when hiring legally authorised young workers. The farm's policies, procedures and training, both for workers and management, should comprehend the additional steps needed to safeguard young workers



What are the non-recommended practices?

- Allowing (or pressurising) young people to work so it interferes with a young person's education depriving them of the opportunity to attend school
- Not knowing the increased risks faced by young workers in agriculture or inadequately supervising them so unsafe working practises are not addressed immediately.



NO Working in dangerous locations, in unhealthy situations, at night, or with dangerous substances or equipment, and carrying heavy loads.





How to best implement the good practice

Know the increased risks faced by young workers in agriculture. Ensure that young workers are trained in safe work procedures and can demonstrate their ability to perform tasks safely before starting work. Young workers should be closely supervised, and any unsafe work practices immediately corrected.

Monitor risks to young people and support the sharing of good practices to protect them in the workplace. Periodically evaluate the policies put in place to protect young workers and address issues.

If child labour is found, the farm must support the child to return to school until the legal age they are able to work (example of Child Labour Monitoring and Remediation Systems, CLMRS developed in the Cocoa sector by International Cocoa Initiative)

Further sources of information

- UNICEF: Children's rights in policies and codes of conduct
- Workers Compensation Board of PEI: guide for employers of young workers
- SAI Platform: Guidance document on child labour
- Nestle Child Labour remediation guidance
- ILO Child Labour in Agriculture
- Ethical Trading Initiative guidance on child labour



WORKER LABOUR RIGHTS - DECENT WORKING CONDITIONS

Assessment





Decent Working conditions: water, sanitation and hygiene, accommodation

Each farm must be able to show that all workers and their families, visitors and subcontractors have access to water, sanitation and hygiene facilities when on the farm. Clean toilet facilities should be within one-quarter mile of all workers, including those working in the fields. If there are no portable toilet facilities near the growing fields, workers should have access to transportation to travel to the toilets. Proper field sanitation helps reduce the potential for contaminating produce and helps protect workers and consumers from foodborne diseases. All workers should have access to potable drinking water and shade during rest breaks. Appropriate food storage and a safe area to store belongings must be provided. Accommodation if provided must be clean, safe and adequate.

Best practice:

- Farms Workers shall have access to water during their working shifts. Where the temporary place of work is a long distance from the water source, provision shall be made for water carriers.
- Appropriate hand washing facilities include safe water, anti-bacterial soap, and hand drying. Workers operating in remote or temporary locations must be able to bring potable water and soap with them.
- Suitable area for workers to rest during work breaks where they can safely store food and their possessions
- Be able to show that on-farm living quarters offered to permanent and temporary workers:
 - are habitable and structurally safe,
 - have provision for hygienic food storage and preparation,
 - have cooking facilities with suitable ventilation,
 - and have the basic services of drinking water, toilets, and drains. In the case of no drains, septic pits can be accepted if compliant with local regulations.

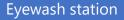
This is N/A if permanent or temporary or seasonal workers, or their families, do not rely on accommodation provided by the farm.

- Do you ensure access to water, sanitation and hygiene (WASH) facilities for all permanent and temporary workers and their families, visitors and subcontractors on the farm?
- O you provide all permanent and temporary workers and their families access to appropriate food storage and safe space for their belongings whilst at work?
- o If you provide accommodation for permanent and temporary workers and their families, is it clean, safe and with adequate cooking facilities and sanitation?



EXAMPLES







Emergency Showers



Changing Facilities

Be able to show that the farm provides privacy, water and soap for workers to clean themselves in case of spillage, before meal breaks and at the end of the working shift.



WORKER LABOUR RIGHTS - DECENT WORKING CONDITIONS

Best practices









Sanitation



Clean drinking water available in the field

Are there facilities that can be accessed when working away from the main farm buildings?



Cooking facilities

Natural light

Be comfortable to live in

Washing facilities



On-farm living quarters offered to permanent, temporary and seasonal workers:

Location and construction:

- ✓ Safe construction in a good state of repair and positioned to minimise the impact of air pollution and surface runoff
- ✓ Protection against weather and extreme climate conditions such as flooding
- ✓ Not used to store any hazardous materials
- ✓ Separate from working/production areas

Health and hygiene:

- ✓ Availability of enough and safe drinking water (see guidance notes FSA 107)
- ✓ Adequate sanitary and washing facilities
- ✓ Adequate closed-sewage or pit latrines, sanitation and rubbish (garbage) disposal

Facilities in place

- ✓ Provision for hygienic food storage and preparation
- ✓ Cooking areas with smoke ventilation
- ✓ Enough lighting (daylight and artificial)
- ✓ Pest control; absence of rats, mice, insects, and vermin, or conditions that favour their populations that could cause disease or carry parasites that function as vectors of disease

Comfort and decency:

- ✓ Families of permanent workers with children have separate rooms from the non-family member workers
- ✓ Workers' children live together with their parents and are not separated
- ✓ Workers' children living on-site are in a safe place and under the supervision of an adult during working hours
- ✓ In group accommodations for individual workers, safety and privacy of vulnerable groups are ensured by providing separate personal sleeping areas and washing facilities for men and women, as stated in local laws
- ✓ Electricity (in-house or nearby) is available, if available in the area
- ✓ All appliances must be electrical safe

Further sources of good practice

- SIZA Agri worker Accommodation checklist
- <u>Guidance on provision of temporary accommodation units for workers in the UK checklist</u> ILO Better Work Dormitories Inspection/Assessment Guide



WORKER LABOUR RIGHTS- CREATING GREAT PLACES TO WORK





This first version of the social handbook has focussed on some priority Labour Rights. There are more areas which farms will be asked to share progress in subsequent versions. For those farms interested in advancing good practice, we have included detail here.

6 Discrimination: All workers are treated equally and with respect and dignity

All workers should be treated with respect and dignity. At no time should they be subjected to any physical, sexual, psychological or verbal harassment, abuse or other form of intimidation. As a business it is important to establish policies to protect everyone from discrimination and harassment. Specific attention should be given to women and vulnerable groups who might be negatively impacted most by the farms activities. Promoting diversity and equal opportunities creates inclusive workplaces, that fosters worker attraction and retention..

Best practice:

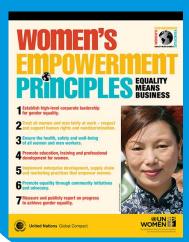
- Have clear policies to ensure all workers, regardless of their national origin, ethnicity, race, or legal status, are treated equally in the workplace
- Unless mandated under local laws, do not employ non-job-related medical testing (such as pregnancy screening) as a condition of employment.
- Ensure all workers have the right to freely practice their religion or fulfil needs relating to cultural background, disability, gender or sexual orientation
- Ensure that all permanent, temporary and seasonal workers are treated with respect, have access to the same opportunities and remuneration
- Ensure all workers and their managers are made aware of and able to recognise and prevent harassment, abuse and other forms of intimidation
- Have specific measures to monitor and mitigate risks related to discrimination, harassment and workplace violence showing there is a zero-tolerance policy with appropriate investigative or disciplinary action when reported or observed
- Recruitment, selection and hiring should be solely based on the candidate's ability to perform the job.
- If security is on the farm, ensure non-abusive security practices have been adopted such as same gender, non-intrusive and no pat down searches

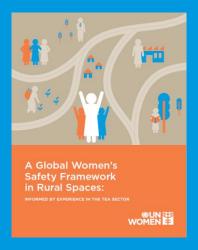




EXAMPLES

Women and girls make almost half of the global agricultural workforce. Yet women in agriculture face a variety of obstacles and constraints that their male counterparts do not—including lack of access to training, lack of access to decision making bodies, machinery, and new technology. Because of the disparity in access, women farmers face an increasing knowledge gap. Good practice involves farmers identifying the barriers which prevent vulnerable groups fully being included e.g., access to childcare to enable women to fully participate, empowerment and mentoring programmes to help women progress into management.









WORKER LABOUR RIGHTS- CREATING GREAT PLACES TO WORK

Additional areas of focus



7 Workplace dialogue and hearing worker concerns

Workers themselves are the best monitors of their working conditions. Worker voice is the means by which people communicate their views to their employer and influence matters that affect them at work. It helps to build open and trusting relationships between employers and their people which can lead to organisational success. For employers, effective voice can help businesses design processes, contributes to innovation, productivity and organisational improvement. For employees, it often results in increased job satisfaction, greater influence and better opportunities for development. Worker voice technology is rapidly advancing offering employers anonymous insight into workers views.

Best practice:

- Provide effective, accessible channels for workers to complain, make suggestions and lodge grievances.
- Provide training to all workers to understand and trust these channels and evidence that the farm values the feedback and acts on it.
- Require that complaints and grievances are fully investigated and result in swift, unbiased and fair resolution.
- Ensure the right to appeal
- All permanent, temporary and seasonal workers are not intimidated or harassed in exercising their right to join, or refrain from joining, any organisation.





EXAMPLES



<u>SIZA cartoon Agribusiness</u> employee guide on Grievances



Mobile apps to train and hear worker views



Freedom of association and worker representation

Ethical Trading

Initiative



Aim Progress Grievance
training
Aim Progress Grievance
mechanism maturity
framework

An effective staff survey is a way to understand if your workforce feel your business is a good place to work. Typically the survey covers employee satisfaction, whether they feel fairly treated, they have opportunities to progress and open questions to raise concerns and suggest other improvement opportunities. The survey should be available to all staff, anonymous, completed at least every 2 years and if score is less than 60% generate an action plan by the management which is presented back to the staff (using the You Said/We Did approach). This blog suggests the 20 best employee Survey questions to ask. The survey can be done on paper, via a work laptop or App.





WORKER LABOUR RIGHTS- CREATING GREAT PLACES TO WORK

Additional areas of focus



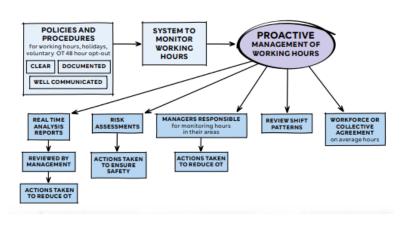
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Managing Working Hours

Getting working hours right is not only a legal obligation but also ensures that workers are well and productive. Excessive working hours result in hidden costs, not only for workers but also for the business. Various studies have shown that injury rates increase and productivity falls with higher working hours, which brings costs to the business of reduced output, higher staff turnover, more sick days, absenteeism and medical costs

Best practice:

• As a minimum, the farm should keeps a record of worked hours and days, and of rest days, for all workers and these should conform to applicable national legal requirements, collective agreements and industry standards. Good practice is for farms to implement proactive systems to monitor working hours. This might include Electronic Time and Attendance system or field book which workers sign to confirm actual hours worked. The records identify when workers have exceeded 60 hours and farms can take action where possible to minimise excessive hours through shift patterns/ mechanisation.



 Another example is proactive documented risk assessment process to assess and define safe working limits at different temperatures/ operating certain machinery. Farms that have addressed long working hours culture highlight that senior managers need to role model new ways of working and recognise its not about working harder but smarter

Farming can be a very isolating and lonely occupation, with many farm workers spending long hours alone and working in remote situations, with and alongside machinery and livestock. While many can value and thrive in lone working environments, it can bring with it increased risk. Suicide rates and poor mental health in farming are also amongst the highest of any occupational group. Lone working can exacerbate feelings of hopelessness when things are not going well, contributing to the onset of depression. Equally, those already experiencing wellbeing issues can be at increased risk of having accidents, especially when working alone. There are some simple steps to reduce the risk on farm

- KNOW THE RISK Continue to review the risk assessment, particularly where there have been changes. Consider and implement the agreed safety measures and assess the level of skill. Implementing correct incident reporting procedures. Make visiting third parties aware of hazards.
- STAY CONNECTED Consider if mobile phones will have a signal and utilise alternative forms of communication if necessary such as two way radios.
- PLAN AHEAD Make people aware of your plans, what tasks you will be undertaking and check in regularly at an agreed time. Know the action steps if things go wrong and ensure Emergency contacts are kept up to date



EXAMPLES



Base Code Guidance:
Working hours

mome 2000

Aim Progress Business Toolkit pg. 58

Ethical Trading Initiative Guidance on working hours







Glossary

<u>Decent work</u> = is work that is productive and delivers a fair income, security in the workplace and social protection for all, better prospects for personal development and social integration, freedom for people to express their concerns, organize and participate in the decisions that affect their lives and equality of opportunity and treatment for all women and men. (<u>ILO</u>)

<u>Forced labour (modern Slavery)</u> = is work that is performed involuntarily and under the menace of a penalty. It refers to situations where people are coerced through the use of violence or intimidation, or by more subtle means such as manipulated debt, threats of denunciation to immigration authorities or the retention of identity papers (ILO)

<u>Human Rights</u> = Basic international standards aimed at securing dignity and equality for all. Every human being is entitled to enjoy them without discrimination. (<u>UN</u>)

<u>Human rights due diligence</u> = An ongoing risk management process that a reasonable and prudent company needs to follow in order to identify, prevent, mitigate and account for how it addresses its adverse human rights impacts. It includes four key steps: assessing actual and potential human rights impacts; integrating and acting on the findings; tracking responses; and communicating about how impacts are addressed. (<u>UN Guiding Principles reporting guidance Shift</u>)

<u>Labour Provider/ agency/broker</u> =is a third party who provides labour to the farm. Agency workers are supplied by a local agent/labour provider/broker and brought to the farm under the responsibility of a third-party company. Usually the agencies/ Labour provider/broker are paid by the site and the wages of the individual workers are paid by the agency/ Labour provider/broker.

<u>Living wage</u> = The remuneration received for a standard work week by a worker in a particular place sufficient to afford a decent standard of living for the worker and her or his family. Elements of a decent standard of living include food, water, housing, education, health care, transportation, clothing, and other essential needs including provision for unexpected events. (<u>Global Living wage</u> coalition)

<u>Low Season</u> = This is referring to when volume of work and worker numbers are at their lowest. In the Worker Information table, enter the number of workers for each category for when worker numbers are at their lowest. Include workers that continue to work during the peak season.

<u>Minimum wage</u> = the minimum amount of remuneration that an employer is legally required to pay wage earners for the work performed during a given period, which cannot be reduced by collective agreement or an individual contract. (<u>ILO</u>)







Glossary

<u>Peak production</u> = is the month when the farm is busiest in the year and requires the most additional labour. In the Worker Information table, enter the highest number of workers for each category (e.g. permanent, temporary, agency). Include workers that continue to work during the low season.

<u>Permanent Worker</u> = Permanent employees do not have a predetermined end date to employment. They are often eligible to switch job positions within their companies, and they are generally protected from abrupt job termination by severance policies, like advance notice in case of layoffs, or formal discipline procedures.

<u>Piece rate</u> = Piece rate pay occurs when workers are paid by the unit performed (e.g. the number or weight of produce picked) instead of being paid on the basis of time spent on the job (ILO)

Recruitment =Advertising, information dissemination, candidate selection, transport, and placement into employment. For migrant workers, recruitment will include the return to the country of origin, where applicable. This applies to both workers looking for employment and those already in an employment relationship. Responsible recruitment ensures that employment procedures are carried out in an ethical manner; protecting individuals rights, without discrimination and safeguarding workers from abusive situations.(ILO)

<u>Risk</u> = In human rights and environmental terms, risk refers to identifying adverse human rights or environmental impacts (e.g. forced labour, a pollution incident) and the probability that these impacts might occur. A risk is theoretical – it is something that may potentially occur - rather than a negative impact that has already occurred. When we refer to risk in relation Health & Safety the most commonly used definition is 'risk is the likelihood that a person may be harmed or suffers adverse health effects if exposed to a hazard.'

<u>Temporary/seasonal worker</u> = is an employee who has been hired for a position with a pre-determined time limit. e.g. day labour, freelance, casual, fixed term. This can also apply to family members and voluntary workers.















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