

Project Labour Commitment Policy

Objectives of the Policy:

Thor Impex d.o.o.e.l (or the "Owner") define the objectives of this Labour Commitment Policy as to:

- Uphold and respect workers' rights for any worker involved in the development, construction, operation or decommissioning of the project including vulnerable groups;
- Establish, maintain, and improve the worker-management relationship;
- Promote safe and healthy working conditions, and the health of workers;
- Comply with all country legal requirements relating to labour relations including International Labour Organisation (ILO) conventions ratified by the Republic of North Macedonia; and
- Comply with the requirements of International Finance Corporation (IFC) Performance Standard 2 on Labour and Working Conditions.

Applicability:

This Policy applies to all those who in one way or another represent the Owner. This includes: the Owner, the Owners' direct workers, contractors and their direct staff, contracted workers (long-term, short-term or casual), sub-contractors (and sub-contractor workers), sub-consultants and the contractor supply chain (collectively referred to as the "Suppliers"). This Policy will apply during the phases of construction, operation and closure.

Any person who observes or has knowledge of any violation of the Policy shall immediately report to a superior, with the certainty that this information will be handled with confidentiality protecting the identity of the complainant.

Matters related to the key obligations set out below, must be adhered to by all Suppliers and documented in written policies and implementation procedures. The Owner reserves the right to review Suppliers' policies and procedures (e.g. human resource policy) and to perform an audit to establish level of compliance at any time during the Project implementation.

The Owner and Supplier must maintain all records relating to all labour matters relevant to the Project, including *inter alia*: Certificates regarding government inspections by labour, immigration, and health ministries as well as records of violations, fines, penalties or corrective actions; employment payroll and timesheets; employee job-related injuries or illnesses; and employee and management disciplinary actions.

The acknowledgement of this Labour Commitment Policy is required to be a legal condition for participation in the Project and each Supplier must sign the bottom of the statement to confirm receipt, acceptance, and observance of the Owner Labour Commitment Policy. The Supplier is also directed to Project Labour Management Plan (TI_BWF_LMP_415) which expands on the requirements of this Policy.

Key obligations:

Freedom of association and collective bargaining

Without exception, the Owner respects the right for workers and employers to establish and join organisations of their own choosing without previous authorisation. Workers and employers' organisations shall be allowed to organise freely and not be liable to be dissolved or suspended by administrative authority and they shall have the right to establish and join federations and

confederations, which may in turn affiliate with international organisations of workers and employers.

Workers shall not be subject to anti-union discrimination, including acts or omissions by employers that relate employment status to union membership or participation.

Forced labour

Without exception, the Owner recognises and prohibits all forms of forced or compulsory labour by its Suppliers. Forced labour is defined as "all work or service which is extracted from any person under the menace of any penalty and for which the said person has not offered himself voluntarily."

Child labour

Without exception, the Owner requires all Suppliers to ensure all workers meet the minimum age for general employment set by the host country government, or 18 years, whichever is higher. It is not expected to engage any workers under the age of 18 without justification.

Non-Discrimination and Equal opportunity

The Owner will engage Suppliers and make decisions concerning employment under this Labour Commitment Policy where the Supplier can demonstrate that it does not allow discrimination based on race, colour, sex, national origin, age, religion, marital status, sexual orientation, disability, or any other characteristic protected by law e.g. HIV status.

The Owner will require all Suppliers to provide all workers a workplace free of harassment, intimidation, coercion and retaliation and strictly prohibits work practices by Suppliers that would otherwise violate the fundamental rights of human workers. The Supplier must ensure all workers receive equal remuneration for work of equal or equivalent value, without discrimination based on gender.

Suppliers will comply with the requirements of IFC PS2 and all national and local equal employment opportunities, and ensure their employees act in a manner that their actions are not considered sexual harassment, demeaning or intimidating in any way. The Owner requires all Suppliers to act in full compliance with all immigration laws, labour standards, wages and working practices.

Vulnerable people and women

The Owner and its Suppliers are required to actively identify opportunities for work to all who are available for and are seeking work for a job for which he or she is well suited, irrespective of race, colour, sex, religion, political opinion, national extraction or social origin.

The Supplier will ensure "suitable accessibility" for any persons with disabilities on site.

The Owner promotes a Local Content Policy (TI_ESMS_405) that sets out the Owners' requirements for the Project and positive engagement of local Suppliers. Suppliers must support the Local Content Policy.

Employment security

The Owner and its Suppliers are required to implement a disciplinary procedure that does not allow for workers to be terminated from employment unless there is a valid reason for such termination connected with the worker's capacity, conduct or based on the operational requirements of the undertaking, establishment or service.

Matters related to severance pay, period of notice, appeal procedures against dismissal, and unemployment insurance must be documented in the Suppliers human resource policy. All workers

(including day workers) shall be hired under some form of written contract unless the job circumstances necessitate otherwise.

Wages

The Owner and its Suppliers are required to implement a system whereby wages shall be paid in legal tender at regular intervals. Workers shall be free to dispose of their wages as they choose.

The Supplier must be able to evidence that all workers (including casual workers) have been informed about the conditions (hourly rate, overtime, deductions, etc.) affecting wages; i) before the worker begins employment; ii) when any pay changes occur during his/her employment; and iii) when payment of wages for the pay period occurs. The Supplier should not resort to use of "seasonal," "casual," "apprentice," "short-term contracts," or similar hiring arrangements to circumvent legal obligations for providing social security under national labour laws. The Supplier must ensure all workers receive equal remuneration for work of equal or equivalent value, without discrimination based on gender' - or any other characteristic (migrant workers, etc),

Working time

North Macedonia defines working hours as 40 hours per week and not more than 10 hours overtime per week except in certain instances as defined by national law. Working hours may be rearranged in such a way that the total working hours of employees on the average are not to exceed 40 hours in the working week in the course of the year.

Overtime and rest periods

All employees must be entitled to a 30-minute recess during the daily working hours. The Company requires all Suppliers to monitor excessive overtime i.e. workers' hours exceeding national regulations on working time. The Project prohibits overtime that exceeds two hours over the normal working time each day, 12 hours per week or 270 hours over an entire year.

In cases where overtime is considered necessary and is agreed upon by the worker and project management representatives, the rate of pay for overtime shall not be less than one and one-quarter times the regular rate. Rest time should not be less than one day for each 7-day period.

The Supplier shall clearly notify workers (by posting notices in conspicuous places at the work site or at other suitable places) of the rest intervals accorded during the work period that are not considered part of the actual working hours. Suppliers should seek to avoid night-time work without prior agreement of the Owner.

Occupational health and safety

The Supplier will provide a safe and healthy work environment, considering inherent risks in its sector and specific classes of hazards in the client's work areas, including physical, chemical, biological, and radiological hazards as defined in Owner occupational health and safety (OHS) plan (TI_BWF_OHS_409).

Worker's grievance mechanism


The Lead Contractor will develop a project wide labour grievance mechanism that is aligned with the requirements of the Owner as set out in the Project Labour Management Plan (TI_BWF-LMP_415).

Worker accommodation

The Supplier is prohibited from providing collective worker accommodation without prior approval of the Owner.

Certification:

On behalf of the Supplier identified below, I represent that I have received, read and understood the Labour Commitment Code as set out above and agree to abide by this Policy for the Bogoslovec wind farm project.

Name and Position: Mr. Lazarevski, Manager	Company / Supplier THOR Impex DOO
Signature: 	Date received: 14/6/21