

Agricultural Labor Practices Code – ALP Code

Our Agricultural Labor Practices ALP standards apply to all HCIG operations and subsidiaries.

As part of our sustainability approach as a responsible business, these ALP standards follow the International Labor Organization Declaration on the Fundamental Principal Rights at Work¹ and other important ILO Conventions, the legal framework of countries where we operate, the United Nations Guiding Principles on Business and Human Rights (UNGPs), and the Sustainable Tobacco Program – STP guidelines. It also contributes to the United Nations Sustainable Development Goals (UN SDGs).

This ALP Code sets the minimum standards to be followed by growers, including labor intermediaries or crew leaders, which are not meant to replace any local legislation. Nevertheless, if the ALP standards differ from local legislation, or any industry-wide existing ALP Code, the highest standard should apply in case of conflict.

In case of doubt, please refer to the Hail & Cotton Agronomy team in your country.

Our 7 ALP pillars are:



Pillar 1: Child Labor – Child labor shall not be acceptable.

1.a) Farmers shall not recruit or employ children to work on their farms. The minimum age² to work is not less than the age for the completion of compulsory schooling or 15 years of age. Local law may provide for a different minimum age to work, in which case the standard that provides the greatest protection must be followed. Children must always be protected from all risks.

1.b) Light work in family farming is acceptable only for a child to help on his/her family's farm between the age of 13 to 15, according to the Light Work definition by law. Light work can only be conducted where consistent with relevant legislation and provided it is not harmful to the health or development of the child and does not impact on the attendance of school and/or other recognized vocational orientation or training programs.

1.c) No hazardous work³ is allowed for children under the age of 18. The list of hazardous work is defined by the country's law and the ILO definition of hazardous work⁴.

¹ ILO Fundamental Principles & Rights at Work (FPRW): [wcms_716594.pdf \(ilo.org\)](https://www.ilo.org/wcmsp5/groups/public/-/dgreports/condoc/wcms_716594.pdf)

² ILO: [Convention C138 - Minimum Age Convention, 1973 \(No. 138\) \(ilo.org\)](https://www.ilo.org/convention/C138)

³ ILO: [Convention C182 - Worst Forms of Child Labor Convention, 1999 \(No. 182\) \(ilo.org\)](https://www.ilo.org/convention/C182)

⁴ ILO: Convention C182 – article 3

Pillar 2: Forced Labor & Human Trafficking – All work shall be voluntary. Forced labor⁵ ⁶, exploitation, any type of abuse of vulnerable people or human trafficking is not acceptable.

2.a) Workers must be free to leave the workplace at any time with reasonable notice. Workers must work according to their will and on working conditions agreed with the growers or their employer.

2.b) Workers must not work under bond, threat, or debt, and must receive payment for their work directly from the growers or their employer.

2.c) Growers must not retain the identity documents, other personal documents, or assets of any worker.

2.d) Workers must not make any financial deposit with growers or their employer or pay any recruitment fees to secure work.

2.e) Workers' payment, income from crop and work done must not be withheld beyond the legal and payment conditions.

Pillar 3: Fair Treatment – Growers shall ensure fair treatment of all workers. No harassment⁷, discrimination, physical or moral punishment, or any other forms of abuse are acceptable.

3.a) Workers must not work under any kind of threat, physical abuse, or physical contact with the intent of injury or intimidation.

3.b) Workers must not be discriminated based on race, skin color, caste, gender, education status, religion, political affiliation, union membership, status as a worker representative, ethnicity, pregnancy, social origin, disability, health status, citizenship, or nationality.

3.c) There shall be no verbal abuse or sexual harassment.

3.d) Workers must be free to report concerns without fear of reprisal.

Pillar 4: Freedom of Association⁸ ⁹ ¹⁰ – Growers shall respect workers' rights to freedom of association and collective bargaining.

4.a) Growers shall not interfere with the workers' rights to freedom of association.

4.b) Workers are free to form or join unions, organizations, or associations to bargain collectively.

4.c) Workers' representatives shall not be discriminated against and must have access to their representatives' duties in the workplace.

⁵ ILO: [Convention C029 - Forced Labour Convention, 1930 \(No. 29\) \(ilo.org\)](#)

⁶ ILO: Indicators of Forced Labor - [wcms_203832.pdf \(ilo.org\)](#)

⁷ ILO: [Convention C190 - Violence and Harassment Convention, 2019 \(No. 190\) \(ilo.org\)](#)

⁸ ILO: [Convention C087 - Freedom of Association and Protection of the Right to Organise Convention, 1948 \(No. 87\) \(ilo.org\)](#)

⁹ ILO: [Convention C098 - Right to Organise and Collective Bargaining Convention, 1949 \(No. 98\) \(ilo.org\)](#)

¹⁰ ILO: [Convention C141 - Rural Workers' Organisations Convention, 1975 \(No. 141\) \(ilo.org\)](#)

Pillar 5: Income & Working Hours – Income earned during a pay period, or the crop season should always be enough to meet workers’ basic needs and should be of a sufficient level to enable the generation of discretionary income. Workers shall never work excessive or illegal work hours.

5.a) Wages of all workers (including temporary, piece rate, seasonal, and migrant workers) meet, at minimum, national legal standards, agricultural benchmark standard or collective bargaining.

5.b) Wages of all workers are paid regularly, at a minimum, in accordance with the country’s laws.

5.c) Work hours are in compliance with the country’s laws. Excluding overtime, work hours do not exceed 48 hours per week, on a regular basis.

5.d) Overtime work hours are voluntary and paid, according to the country’s laws.

5.e) Workers are provided with benefits, holidays, and leave to which they are entitled by the country’s laws.

Pillar 6: Safe Work Environment^{11 12} – Growers shall provide a safe, healthy, and clean work environment to prevent accidents and injuries and to minimize health risks to all workers and his/her family.

6.a) Workers must understand the general health and safety risks on the farm, so that they are best equipped to avoid possible accidents and injuries in the workplace, e.g.: slips, falls, electricity, height, tools & machinery, amongst others. Adequate training must be offered by the farmer, as well as Personal Protective Equipment (PPE), free of charge.

6.b) Growers must safely maintain machinery, hand tools and electrical installations, when available on the farm.

6.c) Workers must be trained and understand the symptoms of Green Tobacco Sickness (GTS) and how to avoid it. Growers should provide workers with adequate PPE, free of charge, when necessary.

6.d) Workers who use, handle, or apply Crop Protection Agents (CPAs), fertilizers or any other hazardous substances, must receive adequate training. Growers must provide workers with adequate PPE, free of charge. Persons under the age of 18, pregnant or nursing women must not handle or apply CPAs, whether protected by PPE or not. The reentry intervals after the CPA application must be respected per each product’s recommendation.

6.e) Growers must safely store CPA and spraying equipment in a safe and secure deposit, away from children, pregnant or nursing woman, water sources, food, and animals. Empty CPA containers must be safely disposed of and never reused.

6.f) Workers must have access to clean drinking and washing water in the workplace.

¹¹ ILO: Convention 184 - https://www.ilo.org/dyn/normlex/en/f?p=NORMLEXPUB:12100:0::NO::P12100_ILO_CODE:C184

¹² ILO: FPRW https://www.ilo.org/wcmsp5/groups/public/---ed_norm/---relconf/documents/meetingdocument/wcms_848632.pdf

6.g) When accommodation is provided, it must be clean, safe, and meet the basic needs of workers, in accordance with the country's law and at a reasonable cost.

6.h) Sanitary facilities must be available in the workplace and in the accommodation.

6.i) Workers must have access to first aid or medical treatment when needed.

6.j) When transportation is provided to workers, it must be safe.

Pillar 7: Compliance with the Law – Growers must comply with all country laws in relation to employment.

7.a) Workers are informed of their legal rights and their working, employment, and payment conditions prior to commencing employment, and in agreement with all terms & conditions.

7.b) Growers and workers have agreed on written contracts when required by a country's laws, or verbal contracts if the local law permits it, and workers receive a copy of the contract.

7.c) Terms and conditions of employment contracts must align with the standards set in this ALP Code and not contravene the country's laws.

7.d) When workers' payments are made, workers must receive a copy of the payment receipt and must understand all deductions made from their payments.

7.e) Whether labor contractors, brokers, crews, or any other similar labor intermediary are used, growers must verify their labor practices and ensure that they operate in line with these ALP standards and all applicable laws in the country.

Training and communication

Our main objective is to work closely with our growers and tobacco suppliers, by providing continuous training and awareness raising on the ALP principles to help them to improve their labor practices continuously. Our Field Technicians undergo ongoing training to provide growers support to achieve these best practices.

Monitoring and enforcement

Our field technicians conduct ongoing visits to growers to verify compliance with the principles of the ALP Code. Where it has been observed based, on evidence and facts, Growers who are not committed to improving their labor practices, do not meet the expected standards, or breach them intentionally, will be retrained, and we reserve the right to decide to terminate or not renew their contract. Before terminating or not renewing a contract, we will seek to work with growers to improve their practices to align with the ALP Code.

Andy Spies - President International Operations

Chris Cooksey - President North America Operations

Eric van der Linden - President Dark Air Cured Operations

Date: December 4, 2023