

# Workplace health and safety in our supply chain Standard

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The Carnival's workplace health and safety in our supply chain Standard ("Standard") sets out our requirements for our Suppliers to protect their workers from physical and mental hazards in the workplace and support their wellbeing.

This Standard outlines the practices expected from Carnival's Suppliers and specifies how to implement our [Responsible Sourcing and Sustainable Sourcing Policy](#) ("Policy"). The Standard specifies both workplace health and safety management requirements and workplace health and safety protection requirements and outlines how we verify that Suppliers meet our expectations.

As we navigate this journey with our suppliers to ensure that we have effective responses to prevent and address negative impact on health and safety in the workplace, we are committed to evaluate options, work with various stakeholders, and adjust our path as needed. As a result, the Standard may be updated from time to time.

## The Carnival Responsible and Sustainable Sourcing Policy

As part of our commitment to responsible business practices, we require our Suppliers to abide by the Carnival [Responsible and Sustainable Sourcing Policy](#), which requires compliance with all applicable laws and regulations, the Carnival [Business Partner Code of Conduct](#) (BPC), the Carnival [Human Rights Policy](#), the Carnival [Health, Environmental, Safety, Security and Sustainability Corporate Policy](#).

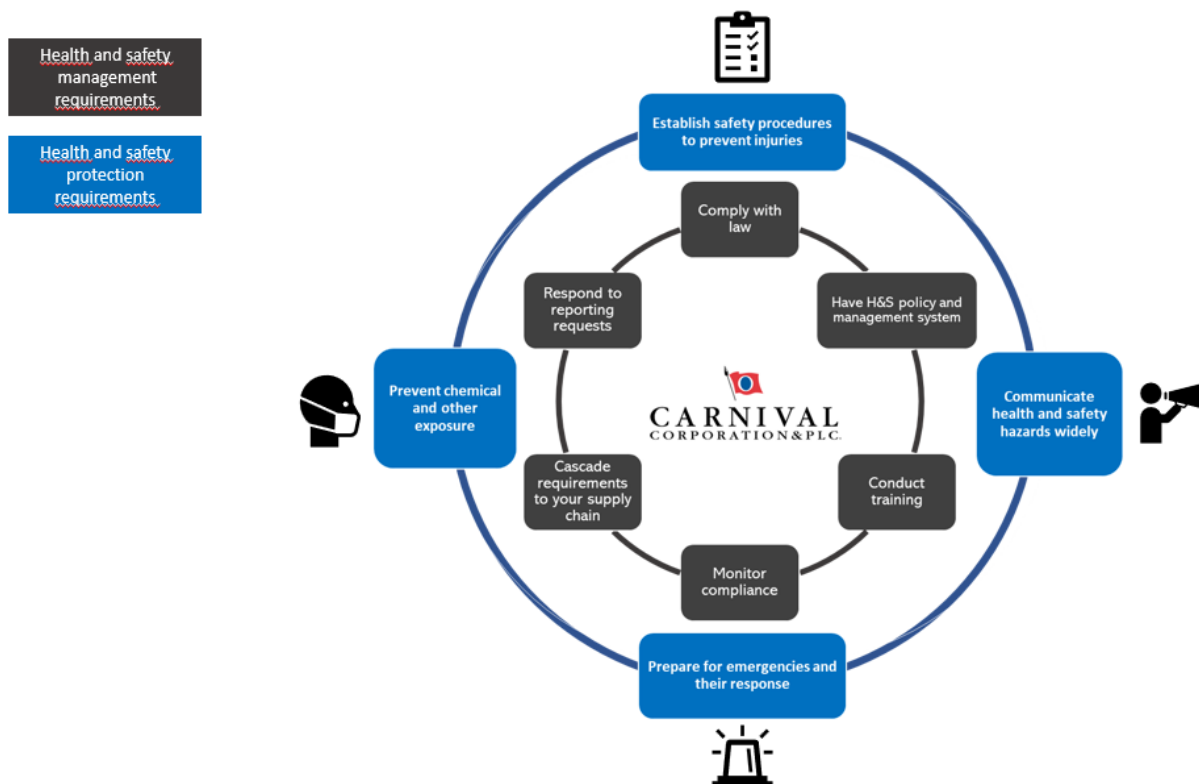
## Requirements

The following listed requirements are a comprehensive but not exhaustive list of Carnival's supply chain requirements on workplace health and safety. They are complimentary to and are not intended to replace or supersede legal requirements. As a minimum requirement, all Suppliers, their affiliates, and their workers, must:

- **comply with all applicable laws and regulations.**
- **implement their own safety and health practices and training** in alignment with relevant laws and guidelines, and industry codes related to health and safety standards .

In situations where laws applicable to our Suppliers are more stringent than our policies and standards, our Suppliers must follow the applicable laws. Where local laws or their enforcement fall below Carnival's Standard requirements, the expectation is for these requirements to be met. Our requirements are rooted in international standards, regulations, and International Labor Organization (ILO) conventions. Carnival expects our Suppliers to uphold these requirements in their own operations and business relationships across their supply chain. This means Suppliers are expected to implement policies and due diligence procedures to detect, prevent, mitigate, and remediate any adverse impacts of their operations and supply chain on workers' health and safety.

## Workplace health and safety requirements chart overview



## Workplace health and safety management requirements

Respecting our Policy and commitments requires Suppliers to meet the following workplace health and safety management requirements:

<p><b>Develop and implement a clear and publicly available policy and management system.</b></p>	<p>This is to support the detection, prevention, mitigation and remediation of negative impacts of their operations and supply chain on workers' health and safety. This should be proportionate and commensurate" to the Supplier's specific circumstances, including its size, capacity, resources, and leverage. Suppliers should assign a responsible person (or department) with documented roles, responsibilities, and authority to make sure their policy commitments are achieved, that regulatory compliance is maintained and that health and safety standards are met. The health and safety policy and associated management system must be endorsed by senior management.</p> <p>Policies and procedures must be updated periodically.</p> <p>The scope of the policy should include, at a minimum, all the following health and safety topics:</p> <ul style="list-style-type: none"> <li>• Health and safety training</li> <li>• Emergency and fire safety</li> <li>• Machinery and site vehicles</li> <li>• Hazardous materials</li> <li>• Worker health (Industrial Hygiene)</li> <li>• Housekeeping and hygiene</li> </ul> <p>The formal health and safety management system should account for the health and safety of all their workers whether they are directly and indirectly employed, including those that work remotely.</p>
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<b>Conduct regular training to ensure effective implementation, improvement, and compliance with their health and safety policies and procedures.</b>	Suppliers must ensure that workers receive regular and recorded training and warnings, and such training shall be repeated for new or reassigned workers. Training must cover health and safety policy, safety rules, emergency procedures (including evacuation), method of how to report an injury, illness or incident, general safety and health hazards present at the facility including working procedures related to the task, adequate usage of work-related tools, machines, stations and Personal Protective Equipment.
<b>Monitor compliance to the required minimum requirements and establish procedures and systems to manage, track, investigate and report occupational injury and illness.</b>	Proactive action for continuous improvement in health and safety practice must be taken, including setting improvement targets, and tracking and monitoring how they progress against these targets.
<b>Cascade health and safety requirements through their supply chain.</b>	Suppliers must communicate proactively these requirements to their own Suppliers and monitor their compliance.
<b>Respond to workers' health and safety related reporting and information requests</b>	This may include third-party verification, transparency of the issues identified, and the actions taken or proposed. Carnival may also periodically assess and audit Suppliers in relation to their health and safety practice. Data may be used by Carnival to comply with the reporting and disclosure requirements of all relevant supply chain due diligence laws.

### Workplace health and safety protection requirements

Respecting our Policy and commitments requires Suppliers to meet the following workplace health and safety protection requirements:

<b>Occupational injuries are prevented, and occupational safety procedures established</b>	<p>Suppliers must provide a safe and hygienic working environment, bearing in mind the prevailing knowledge of the industry and of any specific hazards.</p> <ul style="list-style-type: none"> <li>Adequate steps shall be taken to prevent accidents and injury to health by minimizing as far as possible the causes of hazards inherent to the working environment.</li> <li>Suppliers must provide appropriate personal protective equipment and establish safe work procedures for production and utilities such as equipping machineries with physicals guards, interlocks, barriers and emergency stops and ensure routine preventive maintenance.</li> <li>Suppliers must provide access to clean toilet facilities and to potable water and, if appropriate, provide sanitary facilities for food storage. Accommodation, where provided, must be clean, safe and meet the basic needs of the workers.</li> </ul>
<b>Health and safety hazards are communicated widely</b>	<p>All workers and other people who enter business premises must be properly informed about the inherent dangers of the workplace and be provided with adequate knowledge and personal protective equipment to avoid such dangers.</p> <ul style="list-style-type: none"> <li>Suppliers must post Material Safety Data Sheets for any hazardous or toxic substances used in the workplace.</li> </ul>
<b>Suppliers and workers are prepared for</b>	All workers and other people who enter the premises or deal with products must be properly informed about the appropriate actions to take should a health and safety incident occur.

<b>emergencies and their response</b>	<ul style="list-style-type: none"> <li>Suppliers must anticipate, identify and assess emergency situations and events, and minimize their impact by implementing emergency plans and response procedures, including worker notification and evacuation rules, adequate emergency exit facilities and first-aid facilities, emergency drills, appropriate fire detection and suppression equipment.</li> </ul>
<b>Chemical and other exposure are prevented</b>	<p>Suppliers must identify, evaluate, mitigate and, where possible, eliminate worker exposure to harmful chemical, biological and other physical agents.</p> <ul style="list-style-type: none"> <li>Where hazards cannot be eliminated, Suppliers must provide appropriate controls and ensure that hazardous materials, chemicals, and dangerous substances are safely stored and handled. Suppliers must install engineering controls, such as local exhaust ventilation where airborne levels present a health risk to workers.</li> <li>In all cases, appropriate personal protective equipment must be provided for all workers, particularly those using potentially hazardous machines or handling chemicals.</li> </ul>

## Scope

This standard applies to all suppliers managed by our global sourcing function during the launch phase of our global responsible sourcing program. The scope will be progressively extended to all suppliers as we advance the implementation of our program. It is our suppliers' collective responsibility to ensure compliance with the RSSP and this standard in their operations and throughout their supply chains through communication, education, and verification.

## Verification of Compliance

Suppliers are expected to designate one or more members of management staff to be responsible for assessing and monitoring compliance with the Responsible and Sustainable Sourcing Policy and this standard. Suppliers' commitment to comply with the requirements of our BPC which includes our Policy and Standards as well as all applicable laws is a material condition of being qualified as a Supplier and to continue business with Carnival. Suppliers will be required to provide evidence of their compliance with our minimum requirements before onboarding. Carnival may verify compliance with our expectations during the course of our business relationship. Our due diligence practice may include remote assessments or on-site visits.

### New Suppliers' authorization process

New Suppliers must complete a declaration of compliance with Carnival's **Responsible and Sustainable Sourcing Policy, its associated Standards** and **BPC** (or to their own policy at least consistent with the requirements of the Carnival Responsible Sourcing Policy, its associated Standards and Guidelines and our BPC), as part of our Supplier authorization process. In addition, we may require verification of compliance for certain Suppliers. Failure to comply with these requirements may mean that Carnival is unable to complete the new Supplier authorization process. As a result, the supplier would not be able to do business with Carnival until the issue has been resolved.

### Existing suppliers' authorization process

#### Risk assessment

A risk assessment will be conducted periodically to determine if a Supplier will be required to have an external audit or other forms of assessments conducted. Criteria includes product category, inherent risks associated with Suppliers' business activities or the nature of the contractual relationship.

Carnival is a member of [Sedex](#). We encourage our Suppliers to also register with their online platform as it enables suppliers to share data and demonstrate their ethical business practices. When available, Carnival will use information provided by Suppliers in [Sedex](#) to inform our risk assessment.

#### Verification of compliance by external audit

Selected suppliers will be required to undertake an independent external audit to verify compliance to our Responsible and Sustainable Sourcing Policy and this Standard. Audits are facility inspections that include

employee interviews and a review of supplier records and business practices. Such audits will be conducted by an approved third-party monitoring firm. Auditors will follow the Sedex Members Ethical Trade Audit (SMETA) protocol which includes all Carnival requirements, or a similar alternative protocol.

Suppliers are expected to cover the cost of the audit and to have a direct transactional and financial relationship with the audit company. Carnival must have access to the full audit report and supporting documentation from the audit, but Suppliers may use the output of the audit for the requirements of any of their other customers.

Audits have a validity of 1, 2 or 3 years based on the outcome of the audit. A new audit will be required prior to the expiration of the previous validity period.

#### Corrective action

Where an audit identifies non-compliance with our requirements, we will require the Supplier to identify corrective actions and timeframes for completing those actions. The auditor will need confirmation that corrective actions have been completed for the Supplier to achieve compliance. Depending upon the nature of the issue, the auditor may need to make a follow-up site visit.

#### Reducing auditing burden

Carnival may recognize audits carried out by internationally recognized auditing firms on Carnival approved protocols and which have been completed within the past 1-2 years (depending on risk and nature of past non-compliances).

#### Other assessment methodologies

Carnival is continuously reviewing the most effective approach to assess Supplier compliance to our requirements. In addition to audits, we may introduce alternative verification approaches.

## **Consequences for violations of the Standard or applicable laws**

We encourage Suppliers to proactively disclose to us where they are having challenges meeting this Standard, so we can work together to address issues, strengthen management systems and implement remediation solutions. In the case of prolonged or excessive non-compliances, Carnival reserves the right to review our business with our Supplier, up to and including termination of the business relationship and any related contracts.

## **Grievance mechanism and whistleblowing**

We are committed to ensuring that workers who report violations or participate in investigations are treated fairly. Suppliers may not retaliate against their workers who report in good faith possible violations of the law, Policy and Standard to Carnival, law enforcement or government agencies or directly through the Suppliers' grievance mechanism.

- Suppliers must have systems in place to enable anonymous grievance. Suppliers must respond accordingly to concerns raised, including agreeing remedies where appropriate.
- Grievance mechanisms must be continuously monitored, records maintained, and appropriate actions taken in a confidential manner. Workers must be informed of how to access grievance mechanisms.

In addition, anyone who becomes aware of any actual or potential violation by any Carnival Supplier of our Policy, Standard, BPC or any applicable law, or other misconduct, should immediately report such conduct to Carnival. Suppliers, including their employees, may contact Carnival directly via either the Carnival employee with whom they have a working relationship or the Carnival Compliance Hotline "Speak up", which allows for confidential and secure reporting where permitted by law. The Carnival Compliance Hotline can be reached using the contact information detailed in our BPC.

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Policy Owner: GSS	Type: Global Policy
Contact: <a href="mailto:RSSP@carnival.com">RSSP@carnival.com</a>	Category: Ethics & Compliance
Effective Date:	Policy No: