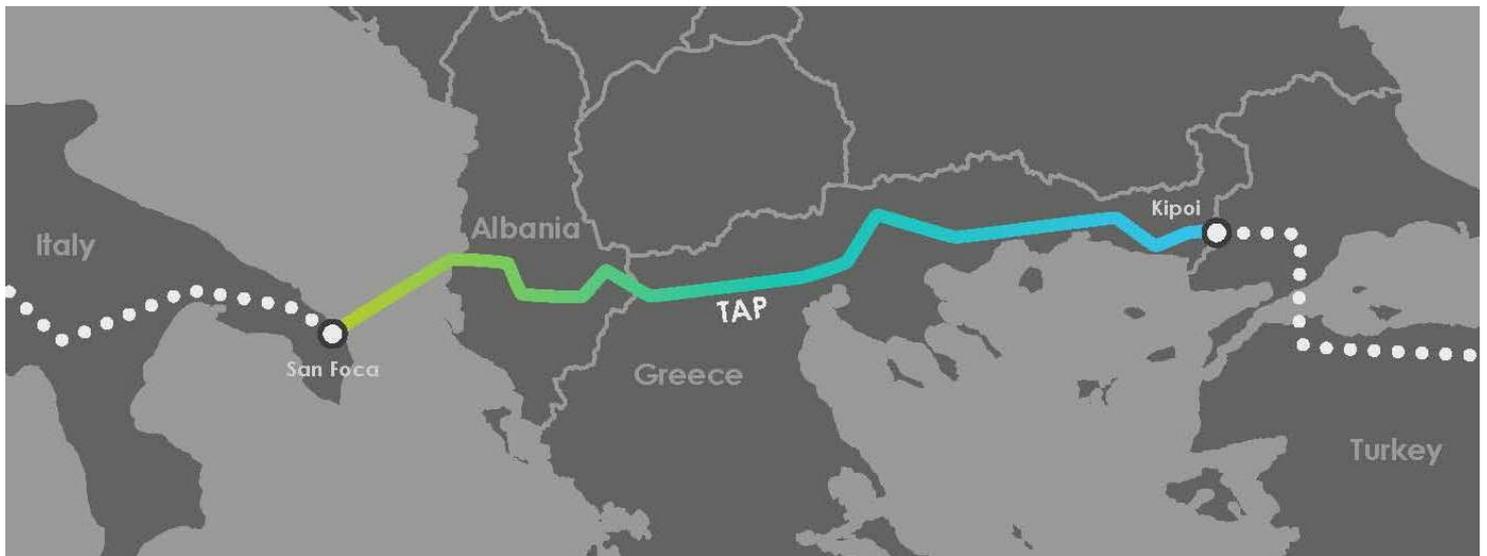




Trans Adriatic
Pipeline



Industrial Relations Management Plan

 Trans Adriatic Pipeline	TAP AG	CAL00-PMT-000-B-TTM-0004	Rev. No.:	1
	Doc. no.:			
	Doc. Title:	Industrial Relations Management Plan	Page:	2 of 44

Contents

Glossary of Terms	5
List of Acronyms and Abbreviations	6
1. Industrial Relations Management Plan	7
1.1 Objectives	7
1.2 Scope	7
1.3 Influx Management.....	8
2. Legal and Policy Context	8
2.1 Project Standards	8
2.2 International Standards and Requirements.....	9
2.3 ILO Fundamental Conventions.....	11
2.4 Host Government Legislation	12
2.5 TAP Project Human Resources Policy.....	13
3. Industrial Relations Management Organisation.....	13
3.1 Industrial Relations Management Committee	14
3.1.1 IRMC Membership	14
3.1.2 IRMC Responsibilities	14
3.2 Country IR/EPC Forum.....	15
3.3 Accountabilities	16
3.3.1 TAP Project Director	16
3.3.2 Country Project Managers.....	17
3.3.3 Industrial Relations Consultant	18
4. TAP Project Requirements for Industrial Relations Management. 18	
4.1 General Requirements.....	18
4.2 Contractor Control Plans	19
4.3 Contractor Environmental and Social Implementation Plans (ESIP's).....	20

 Trans Adriatic Pipeline	TAP AG	CAL00-PMT-000-B-TTM-0004	Rev. No.:	1
	Doc. no.:			
	Doc. Title:	Industrial Relations Management Plan	Page:	3 of 44

4.3.1	Employment, Training and Worksite Management ESIPs.....	20
4.3.2	Stakeholder Engagement and Corporate Social Responsibility ESIPs.....	21
4.3.3	Onshore Compliance Monitoring ESIPs.....	21
4.4	Contract Provisions for Industrial Relations Management.....	21
4.4.1	Industrial Relations Management.....	21
4.4.2	Employment.....	22
4.4.3	Workers' Rights.....	22
4.4.4	Recruitment.....	23
4.4.5	Demobilisation.....	24
4.4.6	Training.....	25
4.4.7	Worksite Management.....	25
4.4.8	Worker Grievance Management.....	27
4.4.9	Human Rights.....	27
4.4.10	Camp Accommodation and Welfare.....	28
4.4.11	Non-Camp Accommodation.....	28
4.5	Work Stoppages and Strike Management.....	29
5.	Coordination, Monitoring and Evaluation.....	30
5.1	Contractor Weekly and Monthly Reports.....	30
5.1.1	Weekly reports.....	30
5.1.2	Monthly reports.....	30
5.2	Key Performance Indicators.....	31
5.3	Internal Contractor IR Management Audits.....	32
5.4	TAP Project Audits of Contractor IR Performance.....	33
5.4.1	Audit Schedule.....	33
5.4.2	Audit Protocol.....	33
5.4.3	Audit conduct.....	34
5.4.4	Non-Compliance.....	34
5.4.5	Action Tracker System.....	35
5.4.6	Audit reports.....	35
6.	Industrial Relations External Communication.....	35
	Appendix 1. Non-Camp Accommodation Assessment Tool.....	37

 Trans Adriatic Pipeline	TAP AG	CAL00-PMT-000-B-TTM-0004	Rev. No.:	1
	Doc. no.:			
	Doc. Title:	Industrial Relations Management Plan	Page:	4 of 44

Appendix 2. Schedule of IR Management Audits 41

Appendix 3. Model IR Audit Protocol..... 42

TABLES

Table 1 IFC, EIB, EQ and EBRD Performance Standards and Requirements9

Table 2 ILO Fundamental Conventions..... 12

Table 3 Industrial Relations Key Performance Indicators 31

 Trans Adriatic Pipeline	TAP AG	CAL00-PMT-000-B-TTM-0004	Rev. No.:	1
	Doc. no.:			
	Doc. Title:	Industrial Relations Management Plan	Page:	5 of 44

Glossary of Terms

Company	Trans Adriatic Pipeline AG
Contractor	Engineering, Procurement and Construction (EPC) contractors and their sub-contractors
Compliance	Conforming to a rule, such as a specification, management requirement, policy, standard or law. Here specifically conforming to TAP Project requirements related to IR management.
IR Management	The process which govern and manage human resources, industrial relations and employee relations and associated policies and procedures
Subcontractor	Any company or person having direct contract with CONTRACTOR
Socio-economic impact	A change, or potential change, to the existing socio-economic environment which occurs because of Project activities. Social factors may include aspects such as demographics, community structure and relationships, health and wellbeing etc. and may refer to individuals, groups or wider communities of people. Economic factors may include, for example, employment, government or household finances, livelihoods etc. An impact may be positive or negative.
Stakeholder	Any person, group or organization who may be affected by the Project, and may in turn affect Project design, development or operation.
Vulnerable Persons	People or groups who may be functionally limited in their ability to participate in consultation and decision-making about the Project; in their physical capacity to adapt to new circumstances; in their ability to restore their livelihoods; or to benefit from Project opportunities. Vulnerability is characterised by higher risk and reduced ability to cope with shock or negative impacts. It may be based on socio-economic condition, gender, age, disability, ethnicity, or other criteria that influence people's ability to access resources and development opportunities.

 Trans Adriatic Pipeline	TAP AG	CAL00-PMT-000-B-TTM-0004	Rev. No.:	1
	Doc. no.:			
	Doc. Title:	Industrial Relations Management Plan	Page:	6 of 44

List of Acronyms and Abbreviations

ALARP	As Low As Reasonably Practicable
CAR	Corrective Action Request
CCP	Contractor Control Plan
CLO	Community Liaison Officer
CR	Community Relations
EBRD	European Bank for Reconstruction and Development
IFC	International Finance Corporation
EQ	Equator Principles
EIB	European Investment Bank
IR	Industrial Relations
IRMC	Industrial Relations Management Committee
Country IRMF	Country/EPC Industrial Relations Management Forum
IRMP	Industrial Relations Management Plan
ESIA	Environmental and Social Impact Assessment
ESIP	Environmental and Social Implementation Plan
ESMS	Environmental and Social Management System
H&S	Health and Safety
HSSSE	Health, Safety, Security, Social and Environmental
HR	Human Resources
ILO	International Labour Organization
KPI	Key Performance Indicator
IRMC	Industrial Relations Management Committee
TAP	Trans Adriatic Pipeline
TWSN	Temporary Work Suspension Notice
WIN	Work Improvement Notice

 Trans Adriatic Pipeline	TAP AG	CAL00-PMT-000-B-TTM-0004	Rev. No.:	1
	Doc. no.:			
	Doc. Title:	Industrial Relations Management Plan	Page:	7 of 44

1. Industrial Relations Management Plan

1.1 Objectives

This document presents the Trans Adriatic Pipeline (TAP) Project's Industrial Relations Management Plan (IRMP). The IRMP describes the processes, tools and responsibilities, designed to ensure the TAP Project's effective oversight of Contractors' employee and industrial relations management. It aims to ensure that TAP Project Contractors manage employee and industrial relations responsibly, and properly address potential risks to the TAP Project's reputation. The IRMP provides a framework to monitor compliance of Contractor companies with Industrial Relations principles and standards as set out in this document.

Implementation of the measures set out in the IRMP supports achievement of the following goals:

- The establishment of positive employee relations to promote a harmonious and healthy business environment, supporting workforce safety, capability, staff motivation and efficient delivery culture
- The establishment and maintenance of strong relationships with Contractors and Sub-contractors, alignment in high standards of employment and employee communications, and their application across all TAP Projects' activities
- The development and application of effective tools and processes to minimise labour management risks, work disruption, and associated impacts on costs, schedule and delivery of the TAP Projects
- The implementation of TAP Project Standards, Code of Conduct and best practice.

1.2 Scope

The IRMP addresses the Industrial Relations (IR) activities of the TAP Project's main Contractors working in Albania, Greece and Italy.

The IRMP is consistent with the requirements of the Contractors' Company Contracts and associated Contractor Control Plans (CCP). The following CCPs are particularly relevant to the IRMP:

- Onshore Employment, Training and Worksite Management
- Stakeholder Engagement and CSR
- Onshore Compliance Monitoring

Other CCPs may also include IR requirements related to social performance.

Best practice standards related to IR management include:

- European Bank for Reconstruction and Development (EBRD), Performance Requirement 2: Labour and Working Conditions

 Trans Adriatic Pipeline	TAP AG	CAL00-PMT-000-B-TTM-0004	Rev. No.:	1
	Doc. no.:			
	Doc. Title:	Industrial Relations Management Plan	Page:	8 of 44

- European Investment Bank – Labour Standards 8
- International Finance Corporation (IFC), Performance Standard 2: Labour and Working Conditions
- IFC/ EBRD, Workers’ Accommodation: Processes and Standards
- International Labour Organization (ILO) Fundamental Conventions.

1.3 Influx Management

The IRMP is not an Influx Management Plan. It is anticipated, however, that the IRMP will have a positive effect in discouraging uncontrolled influx of people to the TAP Project area through specific IR management provisions such as the promotion of local content in Contractor employment and procurement; management of community and stakeholder expectations in relation to employment opportunities; the establishment of recruitment centres remote from worksites and construction camps; documentation of worker registration records; and ongoing monitoring of local content management.

2. Legal and Policy Context

The Company is incorporated and existing under the laws of Switzerland and has branches in the three host countries of the TAP project (i.e. Albania, Greece and Italy), and is therefore subject to the relevant applicable laws and regulations of each of those countries, as well as relevant European Union (EU) legislation, by virtue of its permanent establishment in two EU member countries, namely Greece and Italy. The TAP Project has adopted the EBRD Performance Requirements (PRs) as the principal international standards for compliance during the execution of Project activities. The EBRD PRs include reference to other international good practice guidelines such as those of the International Finance Corporation (IFC), the International Labour Organisation (ILO) and World Bank. Furthermore, the TAP Project is committed in its Code of Conduct as well as CSR Policy to comply with international standards of transparency, accountability, anti-corruption and human rights.

2.1 Project Standards

The TAP Project Standards incorporate national and international Labour, environmental, socio-economic and cultural heritage standards and guidelines derived from:

- International financial institution (IFI) guidelines and requirements
- European Directives
- International conventions
- National laws and regulations applicable to the Project

 Trans Adriatic Pipeline	TAP AG	CAL00-PMT-000-B-TTM-0004	Rev. No.:	1
	Doc. no.:			
	Doc. Title:	Industrial Relations Management Plan	Page:	9 of 44

- Consents and Permits.

These standards are integrated into the TAP Project Environmental and Social Management System (ESMS) as well as into the TAP Industrial Relations Key Performance Indicators and requirements. Contractors are required to identify the standards relevant to their activities; to include these in the Contractor ESMS processes and procedures; and establish the necessary processes for monitoring compliance.

2.2 International Standards and Requirements

EBRD PR2, IFC PS2, Equator Principles and EIB Labour Standard 8 define policies and standards of international good practice related to labour and working conditions. The objectives of these are:

- To establish, maintain and improve the worker-management relationship
- To promote the fair treatment, non-discrimination and equal opportunity of workers, and compliance with national labour and employment laws leading to fair income, security in the workplace, social protection and freedom to express concerns
- To prevent the use of child labour and forced labour
- To promote safe and healthy working conditions, and to protect and promote the health of workers.

The requirements of EBRD PR2/IFC PS2// EIB Labour Standards 8/Equator Principles are summarized in **Error! Reference source not found.1**.

Table 1 IFC, EIB, EQ and EBRD Performance Standards and Requirements

Provisions	Performance Requirements
Working Conditions and Management of Working Relationships	
HR Policy	Client to adopt a HR policy that is consistent with PR2/PS2. Under the policy, the client will inform employees of their rights. It will be clear and will be made available at start of employment in the worker's home language whether it be Greek, Albanian, Italian or English.
Working Relationship	Working conditions and terms of employment will be clearly documented and communicated to employees and contracted workers.
Working Conditions and Terms of Employment	If the client is a party to a collective bargaining agreement, the terms of the agreement will be respected. Where not, working conditions and terms of employment will at least comply with national law. Working conditions will be communicated to workers and include details of their entitlement to

 Trans Adriatic Pipeline	TAP AG Doc. no.:	CAL00-PMT-000-B-TTM-0004	Rev. No.:	1
	Doc. Title:	Industrial Relations Management Plan	Page:	10 of 44

Provisions	Performance Requirements
	wages, hours of work, overtime arrangements, compensation and any other benefits. In addition, the client will comply with the ILO conventions on the abolition of child labour, elimination of forced labour, elimination of discrimination and freedom of association and collective bargaining.
Workers' Organizations	Where national law recognizes worker's rights to associate and bargain collectively, the client will comply with the national law and engage with worker's organizations and provide them with information needed for meaningful negotiation in a timely manner. Where the law is restrictive, the client will enable alternative means of expression, including a mechanism for grievances, fair income, security in the workplace, social protection, freedom to express concerns and to protect worker rights regarding working conditions and terms of employment.
Non-Discrimination and Equal Opportunity	The employment relationship is based on the principle of equal opportunity and fair treatment, and will not discriminate with respect to hiring, compensation, working conditions and terms of employment, access to training, promotion, termination of employment or retirement and discipline. The client will also comply with EU requirements on non-discrimination related to employment.
Demobilisation	The client will develop a plan to mitigate the adverse impacts of demobilisation in line with national law and good industry practice and based on the principles of non-discrimination and consultation.
Grievance Management	The client will provide a grievance mechanism for workers, inform the workers about the mechanism at the time of hire and make it easily accessible to them. The mechanism should be transparent and well understood, and should address concerns promptly at an appropriate level of management. The mechanism should not impede access to other judicial or administrative remedies that might be available under law or through existing arbitration procedures, or substitute for grievance mechanisms provided through collective agreements.
Protecting the Workforce	
Child Labour	The client will not employ children in a manner that is exploitative, is likely to be hazardous, or to interfere with child's education, or to be harmful to child's health or development. The client will follow national laws as applicable, but children below the age of 18 will not be employed in dangerous work.

 Trans Adriatic Pipeline	TAP AG Doc. no.:	CAL00-PMT-000-B-TTM-0004	Rev. No.:	1
	Doc. Title:	Industrial Relations Management Plan	Page:	11 of 44

Provisions	Performance Requirements
Forced Labour	The client will not employ forced labour, which consists of any work or service not voluntarily performed that is exacted from an individual under threat of force or penalty. This covers any kind of involuntary or compulsory labour, such as indentured labour, bonded labour or similar labour-contracting arrangements.
Occupational Health and Safety	
Health and Safety	The client will provide the workers with a safe and healthy work environment, taking into account inherent risks and hazards. Steps will be taken to prevent accidents, injury and disease arising from, associated with or occurring in the course of work by minimizing the causes of hazards as far as practicable. In line with good international industry practice, the client will address identification of hazards; provision of preventative and protective measures; training of workers; documentation and reporting of accidents, diseases and incidents; and emergency prevention, preparedness and response arrangements. The client will also comply with the relevant EU OHS requirements and when such requirements do not exist, relevant IFC OHS guidelines. Moreover, the client will maintain an OHS management system in line with good international practice.
Non-Employee Workers and Supply Chain	
Non-Employee Workers	The client will use commercially reasonable efforts to apply the requirements of PS2/PR2 to non-employee workers directly contracted, except for provisions under Demobilisation (Retrenchment) and Supply Chain in PS2 and for provisions under Demobilisation (Retrenchment), Supply Chain and Security Personnel Requirements in PR2.
Supply Chain	The client will address child labour and forced labour in its supply chain consistent with the provision under Child Labour and Forced Labour.

2.3 ILO Fundamental Conventions

EBRD PR2, IFC PS2, EIB Labour Standards 8, and the Equator Principles are guided by International Labour Organization (ILO) Conventions and require compliance with core ILO labour standards related to child labour, forced labour, non-discrimination and freedom of association and collective bargaining. In addition, ILO has identified eight fundamental (or core) conventions covering fundamental principles and rights at work. These fundamental conventions are presented in Table 2. Table 2 TAP will comply with the requirements of these conventions during the construction and operation phases of the Project.

 Trans Adriatic Pipeline	TAP AG Doc. no.:	CAL00-PMT-000-B-TTM-0004	Rev. No.:	1
	Doc. Title:	Industrial Relations Management Plan	Page:	12 of 44

Table 2 ILO Fundamental Conventions

Convention Name	Key Provisions
C29: Forced Labour	<ul style="list-style-type: none"> Prohibits forced or compulsory labour, defined as "all work or service which is exacted from any person under the menace of any penalty and for which the said person has not offered himself voluntarily."
C87: Freedom of Association and Protection of the Right to Organize	<ul style="list-style-type: none"> Workers and employers have the right to establish and join organizations of their choice, subject to the rules of the organization concerned
C98: Right to Organize and Collective Bargaining	<ul style="list-style-type: none"> Workers to be protected against anti-union discrimination in the workplace Worker's and employer's organizations to be protected from acts of interference
C100: Equal Remuneration	<ul style="list-style-type: none"> Men and women to receive equal remuneration for work of equal value, consistent with the provisions of the applicable remuneration methods
C111: Discrimination	<ul style="list-style-type: none"> Equal opportunity in respect of employment and opportunity to be pursued in a manner appropriate to national practice Discrimination based on race, colour, sex, religion, political opinion, nationality not permitted Exclusion or preference in respect of the requirements of a specific job is not discrimination
C138: Minimum Age	<ul style="list-style-type: none"> Child labour to be progressively abolished where it is still practiced Signatories to determine a locally appropriate minimum age, not less than 15 years or 14 in specific circumstances
C161: Occupational Health Services	<ul style="list-style-type: none"> Provides for establishment of enterprise-level occupational health services entrusted with essentially preventive functions and responsible for advising the employer, workers and their representatives on maintaining a safe and healthy working environment.
C182: Worst Forms of Child Labour	<ul style="list-style-type: none"> Elimination of child exploitation through slavery, prostitution, pornography, illicit services or work which is harmful to health, morals or safety

2.4 Host Government Legislation

EBRD PR2 and IFC PS2 require compliance with the national laws and regulations applicable to labour and working conditions and health and safety. These provide the basis from which TAP Project policies, procedures, and standards are developed. The TAP Project Environmental and Social Management System (ESMS) as well as the TAP Industrial Relations Policy requirements are designed to ensure ongoing compliance with existing and emerging government legislation, regulations and industry standards.

 Trans Adriatic Pipeline	TAP AG	CAL00-PMT-000-B-TTM-0004	Rev. No.:	1
	Doc. no.:			
	Doc. Title:	Industrial Relations Management Plan	Page:	13 of 44

To ensure consistency and uniformity across the TAP Project, the Project uses national legislation or the European Union (EU) framework, whichever is more stringent. As good practice, the Company has used the EU framework as a benchmark, although Albania currently is not a part of the EU.

2.5 TAP Project Human Resources Policy

Statement of Principle

The welfare of employees is an essential principle of TAP. We aim to provide all employees with market-related conditions of employment, freedom of association, and employment rights. TAP is committed to equal opportunities in an environment free of discrimination and harassment.

Our Aim is to:

- Provide a safe working environment for all employees in accordance with the TAP Policy on HSE
- Provide a working environment that fosters sound employee/manager relationships
- Offer an environment where employees can provide feedback to management without fear of reprisals or victimisation
- Provide regular performance and development reviews with employees and ensure development plans are agreed
- Provide local frameworks that support employee well-being
- To provide a transparent framework for employees to address grievances and concerns without fear of victimisation and/or harassment
- To review reward framework to ensure that TAP remains competitive, aligns the interests of employees with those of the business and shareholders, and facilitates a 'pay for performance' culture
- To ensure strict adherence to employee rights and National Employment legislation
- To encourage our contractors and partners to demonstrate similar commitment to their employees in terms of freedom of association, equal opportunity and non-discriminatory practices
- To ensure strict adherence to Human Rights principles of no discrimination, harassment, use of illegal, forced or child labour.

3. Industrial Relations Management Organisation

In order to ensure that IR management practices are consistently applied across the TAP Project in accordance with the objectives described in Section 1.1 above, and that appropriate risk assessment and mitigation processes are in place, the following governance framework will be established to facilitate IR performance monitoring and evaluation.

3.1 Industrial Relations Management Committee

An Industrial Relations Management Committee (IRMC) will be convened by the Company, chaired by the TAP Project Director or the Human Resources Director. The IRMC will mon-

 Trans Adriatic Pipeline	TAP AG	CAL00-PMT-000-B-TTM-0004	Rev. No.:	1
	Doc. no.:			
	Doc. Title:	Industrial Relations Management Plan	Page:	14 of 44

itor Contractors' IR management performance; develop plans to mitigate risks; provide guidance and direction to Contractors' management; ensure Project alignment; establish and oversee the operation of Country IR/EPC monthly forums (see Section 3.2 below) and review external trends / existing labour environment.

The IRMC will meet quarterly. If there is a need for more frequent meetings, this will be agreed between the TAP Project Director and the Human Resources Director.

3.1.1 IRMC Membership

Mandatory attendees at the IRMC will include the TAP Project Director; Human Resources Director, Project Managers for Albania, Greece and Italy; the ESMS Manager; Legal and Compliance managers, Industrial Relations Consultant; and Environmental and Social Assurance Compliance Manager. Any additional subject matter experts might be added when required by the IRMC.

The IRMC will report to the Managing Director, who will communicate status updates to the TAP Project Leadership Team, Extended Leadership Team and to TAP shareholders. The IRMC will be facilitated by an Industrial Relations Consultant.

3.1.2 IRMC Responsibilities

The IRMC has two specific areas of responsibility, related to (a) Contractor and Sub-Contractor employee management and (b) managed service personnel.

IRMC responsibilities in relation to Contractors and Sub-Contractors include:

- Identifying IR management initiatives to be implemented consistently across the TAP Project
- Providing guidance and direction to Country Project Managers as required
- Communicating identified projects/initiatives to the IR/EPC Monthly Forum(s) and seeking their contribution and recommendations
- Monitoring any IR management activities/interests 'in country' and from within the International Trade Union movement of potential relevance to the TAP Project. The IRMC will engage with TAP Country Offices for contacting relevant local Trade Unions
- Monitoring economic and IR management trends within the TAP Project areas of impact of potential relevance to the TAP Project
- Monitoring the implementation of IR Plans across the TAP Project

 Trans Adriatic Pipeline	TAP AG	CAL00-PMT-000-B-TTM-0004	Rev. No.:	1
	Doc. no.:			
	Doc. Title:	Industrial Relations Management Plan	Page:	15 of 44

- Monitoring/reviewing IR management statistical inputs provided by EPC Main Contractors on aspects including but not limited to hiring, employment practices, worker grievance and disciplinary trends, demobilisation and dismissals
- Investigating the causes of, and strategic responses to, IR disruption, work stoppage, industrial unrest or strikes
- Monitoring consistency and effectiveness of IR management processes across the TAP Project.

With respect to managed service personnel responsibilities include:

- Ensuring a consistent approach to the management of all agency personnel across the TAP Project
- Ensuring consistency and alignment of IR management across the TAP Projects (e.g. pay adjustments, issues management, demobilisation plans).

3.2 Country IR/EPC Forum

Where identified by the IRMC, Country IR/EPC monthly meetings will be established to focus on the TAP Project Contractors' IR management performance. The meetings will be chaired and led by the relevant Country Project Manager and held monthly. The Industrial Relations Consultant will be responsible for scheduling IR/EPC Forums; ensuring summaries and actions are captured; analysing the data (KPI's) provided by the Contractors and providing input/data to IRMC.

3.2.1 Country IR/EPC Forum meeting

Mandatory attendees will be determined by the Country Project Manager, and might include Project Construction Managers, ESMS, Legal Compliance, Security and H&S management; Country Office Stakeholder Engagement Managers; and Contractor representatives accountable and responsible for IR management. The meetings will be facilitated by Country Project Managers.

The meeting objectives and responsibilities include:

- Reviewing IR management performance and trends across the Country Project
- Reviewing any external interests in Worker Management (e.g. Trade Unions)
- Reviewing EPC initiatives in place and being developed to address identified IR management trends

 Trans Adriatic Pipeline	TAP AG	CAL00-PMT-000-B-TTM-0004	Rev. No.:	1
	Doc. no.:			
	Doc. Title:	Industrial Relations Management Plan	Page:	16 of 44

- Reviewing Contractor IR management work plans for the Country Project for the next 3 to 6 months, addressing labour requirements and potential risks for IR management i.e. demobilisation plans
- Developing and reviewing actions plans for the mitigation of identified IR management risks
- Reviewing EPC IR management procedures for response to disruption, work stoppage, industrial unrest or strikes
- Agreeing on tasks/issues that require consideration by, or response to, the IRMC
- Making recommendations to IRMC.

3.3 Accountabilities

3.3.1 TAP Project Director

The TAP Managing Director or his delegate has overall accountability for implementation of this IRMP and to ensure:

- IRMC meetings are held at agreed intervals and in the agreed format
- A delegate is identified and will chair IRMC meetings as and when required
- The IRMC reviews the overall status of IR management across the TAP Project and reports to the TAP Project Leadership team and Board of Directors, when appropriate
- If required, IR management interventions are agreed and implemented by forming an action team with involvement of TAP Project Baar personnel and Country resources (e.g. HR, Security, etc.)
- Convene IRMC at established intervals, normally once a quarter
- Define, in discussion with TAP Country Project Managers and Industrial Relations Advisor, the IRMC meeting format; participants; and on an ongoing basis review and modify participants and format to improve effectiveness where required
- Ensure the effective operation of the TAP Project IR management monitoring, audit and compliance assurance processes
- Track implementation of IRMC actions
- Provide a holistic view of the IR management environment across the TAP Project

 Trans Adriatic Pipeline	TAP AG	CAL00-PMT-000-B-TTM-0004	Rev. No.:	1
	Doc. no.:			
	Doc. Title:	Industrial Relations Management Plan	Page:	17 of 44

- Ensure TAP-led audits of Contractors' IR management performance are appropriately resourced.

3.3.2 Country Project Managers

The TAP Country Project Managers will:

- Arrange Country IR/EPC meetings, normally once per month
- Agree with the TAP Project Director / IR Consultant the IRCF terms of reference, meeting format and participants
- Review and, on an ongoing basis, modify participants and format to improve IRCF effectiveness where required
- Immediately report any potential IR management disruption to TAP Project Director, Human Resource Director and Industrial Relations Consultant and lead the Company interface with the Contractors
- Ensure the effective operation of the IR management monitoring, audit and compliance assurance processes at the Country level
- Monitor Contractors' progress in local content, local employment and demobilisation plans
- Inform Contractors of relevant TAP Project-wide IR management initiatives
- Monitor Contractors conformance with relevant TAP Project IR management performance requirements
- Work with the TAP Project Director to ensure alignment with IRMC priorities and actions
- Inform Contractors to communicate to the Company any enquiries from external parties on IR management issues
- Ensure Contractors' IR Management Key Performance Indicator reporting processes are in place, and facilitate the identification of trends and the development of supporting response actions
- Ensure Contractors undertake internal and external IR management audits and implement associated action
- Ensure Contractors notify TAP of any form of potential IR management disruption and confirm the Contractor has adequate response plans and processes in place

 Trans Adriatic Pipeline	TAP AG	CAL00-PMT-000-B-TTM-0004	Rev. No.:	1
	Doc. no.:			
	Doc. Title:	Industrial Relations Management Plan	Page:	18 of 44

- Ensure Contractors implement appropriate community relations initiatives designed to inform communities of their recruitment and demobilisation plans, consistent with TAP's stakeholder engagement planning.

3.3.3 Industrial Relations Consultant

The TAP Project Industrial Relations Consultant will:

- Facilitate Country IR/EPC meetings on regular basis to review TAP Project activities, challenges and achievements and to provide IR consultation as required to Country Project Managers
- Ensure strategic and holistic review of the current IR management environment is shared with Country management
- Monitor Contractors' contractual obligations with respect to IR management, Project IR standards and alignment with legislation requirements
- Provide leadership to, and participate in, TAP Project IR management monitoring, audit and compliance assurance processes.

4. TAP Project Requirements for Industrial Relations Management

4.1 General Requirements

A summary of the common elements of the Project contractual requirements for Industrial Relations management are provided in the paragraphs below.

In general terms, Contractors are required to establish and document HR/IR management policies and procedures designed to support achievement of the goals listed in Section 1.1 of this IRMP. Contractors are required to submit their IR management policies and procedures to Company for review and approval prior to the commencement of construction activities. These documents will include, but may not be limited to, the following:

- An Employment Plan
- A Policy Statement that ILO Labour Standards will be respected and complied with throughout the supply chain
- An Employment, Training and Worksite Management Environmental and Social Implementation Plan (ESIP)
- A Policy to ensure no discrimination or harassment in employment
- A Local Recruitment Plan

 Trans Adriatic Pipeline	TAP AG	CAL00-PMT-000-B-TTM-0004	Rev. No.:	1
	Doc. no.:			
	Doc. Title:	Industrial Relations Management Plan	Page:	19 of 44

- A Demobilisation Plan (Retrenchment), taking into consideration EBRD and IFC guidance
- A detailed Training Plan, identifying specific training requirements against each job title or occupation
- A Worker Grievance Mechanism
- A Worksite Management Plan
- Monthly Industrial Relations Key Performance Indicator (KPI) reports.

Contractors are required to submit their local employment strategy and targets for review and approval by Company. Where local employment figures fall below agreed requirements, Contractors should report to Company any failure to meet agreed targets, the reasons for this non-conformance and proposed response.

Contractors are required to report to Company on their IR management performance, as described in Section 5.2 below.

4.2 Contractor Control Plans

The TAP Project Commitments Register contains all the commitments set out in the Project Environmental and Social Impact Assessment (ESIA), Human Rights Impact Assessment (HRIA), and any future commitments that may stem from other permitting/licensing procedures. For implementation purposes, these commitments have been translated into the Onshore and Offshore Contractor Control Plans (CCPs), to be implemented by Contractors.

Contractors are required to include all requirements from the CCPs relevant to their scopes of work in the Contractor ESMS, including their ESMS Manual, Environmental and Social Implementation Plans (ESIPs) and Method Statements. In relation to Contractor IR management, this includes the following CCPs:

- The Onshore Employment, Training and Worksite Management CCP defines measures necessary to ensure that: training requirements are implemented; requirements relating to local content and human rights in terms of employment and procurement are fulfilled, including the Worker Grievance Mechanism and monitoring of health and safety and rights performance (in alignment with socioeconomic compliance monitoring); and worksite management is adequately defined such that negative socio-economic, environmental and cultural heritage impacts are prevented or, where this is not possible, are as low as reasonably practicable (ALARP).
- The Stakeholder Engagement and CSR CCP defines TAP Project commitments, processes and procedures with regards to stakeholder engagement and corporate social responsibility which should be applied by Contractors when implementing activities

 Trans Adriatic Pipeline	TAP AG	CAL00-PMT-000-B-TTM-0004	Rev. No.:	1
	Doc. no.:			
	Doc. Title:	Industrial Relations Management Plan	Page:	20 of 44

on behalf of the Project. The CCP seeks to ensure that best practice and international and EU standards are met so that negative impacts are minimised and positive impacts enhanced and to comply with TAP Project commitments.

- The Onshore Compliance Monitoring CCP sets out the mitigation measures necessary to ensure environmental, socio-economic and cultural heritage compliance monitoring is adequately undertaken and that any potential negative impacts of the Project are prevented or, if this is not possible, ALARP. The Compliance Monitoring CCP seeks to ensure that environmental, social and cultural heritage monitoring complies with the TAP Project commitments and international best practice.

4.3 Contractor Environmental and Social Implementation Plans (ESIP's)

Contractor ESIPs, Control Documents, related procedures and Method Statements (generically referred to as ESIPs) establish the procedures and activities to be implemented by Contractors and guide all activities performed for the TAP Project. The ESIPs should be of sufficient quality and level of detail to ensure compliance with the Project commitments in the Commitments Register; the CCPs; the Project Standards and other contractual requirements.

The ESIPs include:

- Contractor roles and responsibilities
- Description of technical detail, including design, equipment and operating procedures, to direct implementation of the commitments in the CCP
- Monitoring objectives and specific details of monitoring measures, including parameters measured, methods used, locations, frequency, detection limits and thresholds for corrective action
- Procedures and requirements for reporting to the TAP Project.

4.3.1 Employment, Training and Worksite Management ESIPs

The Employment, Training and Worksite Management ESIPs set out Contractor IR management procedures and actions in relation to:

- Industrial Relations Management
- Employment Planning
- Recruitment
- Demobilisation (Retrenchment)

 Trans Adriatic Pipeline	TAP AG	CAL00-PMT-000-B-TTM-0004	Rev. No.:	1
	Doc. no.:			
	Doc. Title:	Industrial Relations Management Plan	Page:	21 of 44

- Training
- Code of Conduct
- Worker Grievance Management
- Worksite Management
- Compliance Monitoring.

4.3.2 Stakeholder Engagement and Corporate Social Responsibility ESIPs

In relation to IR management, the Stakeholder Engagement and CSR ESIPs define Contractor procedures and actions in the following areas:

- Provision of information and training to sub-contractors to ensure compliance with IR management requirements
- Communication of Contractor Employment, Recruitment and Retrenchment Plans
- Establishment of the Worker Grievance Mechanism
- Human Rights, particularly in relation to ILO Conventions and Security management.

4.3.3 Onshore Compliance Monitoring ESIPs

The Onshore Compliance Monitoring ESIPs describe Contractor protocols and procedures to monitor the implementation and outcomes of the ESMS mitigation measures, including IR management performance. The ESIPs describe the compliance monitoring framework; programming; identification of non-compliances and corrective actions; data management; and reporting.

4.4 Contract Provisions for Industrial Relations Management

The following Sections describe the critical IR requirements set out in the CCPs and TAP Project Standards. These summaries do not supersede the more detailed contractual requirements.

4.4.1 Industrial Relations Management

The TAP Project seeks to ensure that, where non-employee workers are engaged through contractors or other legitimate intermediaries to work on Project sites or perform work directly related to the core functions of the Project, those contractors or intermediaries are reputable enterprises and that they apply the requirements of EBRD Performance Requirement 2 (PR2).

 Trans Adriatic Pipeline	TAP AG	CAL00-PMT-000-B-TTM-0004	Rev. No.:	1
	Doc. no.:			
	Doc. Title:	Industrial Relations Management Plan	Page:	22 of 44

The TAP Project requires Contractors to:

- Produce Onshore Employment, Training & Worksite Management ESIPs
- Communicate the contents of ESIPs to their workers and sub-contractors and to train them to understand their responsibilities
- Ensure adequate resources are mobilised for IR compliance monitoring and management
- Establish procedures to monitor worker and sub-contractor compliance with ESIP.

4.4.2 Employment

The TAP Project requires Contractors to produce an Employment Plan to:

- Identify the percentage of skilled and unskilled labour required for each work package
- Identify numbers of local and external workers for each work package.
- Develop plans to manage community expectations re: local employment
- Ensure that all workers are medically screened before the commencement of employment.

The Contractors' Employment Plans should include information on:

- How skilled and unskilled labour will be recruited
- How labour is sourced as locally as practicable to the areas of work
- Commitment to recruiting from communities crossed by the pipeline
- How non-discrimination and equal opportunity practices will be applied in the Recruitment process.

4.4.3 Workers' Rights

The TAP Project's commitment to maintain strong relationships with Contractors and Sub-Contractors; alignment with fair standards of employment, employee communications and their application across the Project; and minimization of labour management risks, work disruption and associated impacts, is reflected in its commitment to workers' rights. The Project requires Contractors to:

- Document and communicate terms of employment to workers in the form of a written contract of employment. Where a worker is illiterate, the Contract of Employment shall be clearly communicated to the worker in his/her native language

 Trans Adriatic Pipeline	TAP AG	CAL00-PMT-000-B-TTM-0004	Rev. No.:	1
	Doc. no.:			
	Doc. Title:	Industrial Relations Management Plan	Page:	23 of 44

- Ensure workers are familiar with and understand their terms and conditions of employment, including the period of employment, wage calculations and deductions (social security), working time, overtime arrangements and any benefits
- Ensure wages, benefit and conditions of work are comparable to those offered by equivalent employers in the relevant country/region and sector concerned
- Comply with ILO Core Labour Standards, and issue a policy statement that the ILO Labour Standards shall be respected and fully complied with throughout the supply chain
- Provide all workers, including those of Sub-Contractors, induction on their Employment Rights, Freedom of Association and the Worker Grievance Mechanism
- Ensure all workers, including those of Sub-Contractors, can join Unions of their choice and have the right to collective bargaining (Freedom of Association)
- Implement measures to ensure there is no child or forced labour within its direct control or used throughout the supply chain. In no instance shall worker passports/ identity documentation be retained / held by the Contractor.

4.4.4 Recruitment

The TAP Project requires Contractors to:

- Produce Local Recruitment Plans that identify targets for local unskilled labour recruitment; ensure non-discrimination and equal opportunity recruitment processes; and provide employment opportunities for minority and under-represented groups
- Advertise skilled and unskilled openings – both construction jobs and supporting services - thoroughly and well in advance of hiring at the municipal and local level across the pipeline route
- Issue and implement policies to ensure no job applicant will be subject to discrimination and/or harassment
- Prevent worker in-migration by establishing local area employment offices to conduct all non-professional recruitment and documentation of worker registration records
- Establish a secure personnel records system that contains for each worker in the supply chain a copy of their passport or identity cards, social security numbers, etc.
- Hire and source materials to meet the TAP Project's CSR requirements and EBRD best practice guidance documents regarding worker management, accommodation and worker rights

 Trans Adriatic Pipeline	TAP AG	CAL00-PMT-000-B-TTM-0004	Rev. No.:	1
	Doc. no.:			
	Doc. Title:	Industrial Relations Management Plan	Page:	24 of 44

- For workers engaged through Sub-Contractors or other intermediaries, ensure that these contractors or intermediaries are reputable and legitimate enterprises and that they endeavour to apply the requirements of EBRD PR2
- Work with Company, local authorities (including local municipal and unemployment offices) and employment agencies to ensure positions are advertised in a manner that is accessible to the local communities
- Establish a local employment monitoring and reporting plan, and report monthly on: future recruitment; the level of local content in each work package; and, on the process and outcomes of all recruitment – identifying at each stage the numbers from the local area and the numbers from outside the local area
- Establish corrective actions if local content levels fall below levels set in the supplier and recruitment plans.

4.4.5 Demobilisation

The TAP Project requires Contractors to develop Demobilisation Plans taking into consideration the principles of EBRD PR2 and the IFC Good Practice Note No. 4: Managing Retrenchment, 2005. Demobilisation Plans should seek to mitigate the adverse impacts of demobilisation; align with national law and good industry practice; and be based on the principles of non-discrimination and consultation. Within this:

- Workers' representatives (where recognised) and, where appropriate, relevant public authorities should be given reasonable notice of employment changes so that the Demobilisation Plan may be examined jointly to mitigate adverse effects of job losses on the workers concerned
- Contractors should communicate demobilisation plans to workers, giving reasonable notice
- Contractors should ensure that full details of demobilisation are given to demobilised workers-effective date of demobilisation, details of final salary payments and end-of-contract procedures
- Contractors should ensure that the criteria used for selection are objective, fair, transparent, non-discriminatory, and communicated to workers
- Contractors should provide individuals with the right to challenge their selection for demobilisation
- Contractors should seek to mitigate the adverse effects of the redundancies on individuals and affected communities.

 Trans Adriatic Pipeline	TAP AG	CAL00-PMT-000-B-TTM-0004	Rev. No.:	1
	Doc. no.:			
	Doc. Title:	Industrial Relations Management Plan	Page:	25 of 44

4.4.6 Training

The TAP Project requires Contractors to:

- Produce detailed Training Plans identifying specific training requirements against each job title or occupation. The Training Plans should include:
 - Induction training (including a TAP Induction) to be delivered to all personnel in workforce, vendor representatives and site visitors. This training to include providing advice on measures to reduce STD/HIV infection
 - HSSSE induction training programme to be presented to all personnel in the workforce, vendor representatives and site visitors
 - ESMS induction training programme for all personnel
 - General and task-specific skills training
 - A matrix of training requirements showing the training frequency and interval between refresher courses
 - Analysis of training needs and programme to demonstrate that all persons employed, including subcontractors, are suitably qualified, competent and fit
 - Specification of qualifications, competency and training requirements for key personnel
 - A Local Workforce and Supplier Training Plan to enhance the capabilities of local people and companies, with a view to increasing local content
 - Training procedures, including one for maintaining training records.
- Develop a monitoring system to confirm that the Training Plans are effective and have been delivered in time. Conduct regular evaluations to ensure that the Training Plans have achieved objectives
- Ensure that, prior to commencing any site-work, all Contractor, Sub-Contractors or suppliers' personnel have completed HSSSE induction training
- Ensure that workers are aware of local issues and sensitivities, and respect local culture and values, to avoid any local disputes and crime.

4.4.7 Worksite Management

Contractors are required to:

 Trans Adriatic Pipeline	TAP AG Doc. no.:	CAL00-PMT-000-B-TTM-0004	Rev. No.:	1
	Doc. Title:	Industrial Relations Management Plan	Page:	26 of 44

- Develop a Worksite Management Plan
- Include in the Worksite Management Plan details of worksite security measures and how these will be communicated to the workforce
- Ensure that necessary security measures are put in place to restrict unauthorised access to, or use, of worksite facilities. Security measures should include the following:
 - Access to the works area should only be allowed by site staff
 - Use of security passes for camp personnel
 - Limit on hours of movement outside of camps
 - Ban on use of Project vehicles for non-work business
 - Provision of adequate lighting in the camps to deter intruders
 - Provisions for handling of camp /site waste.
- Adopt a policy and related procedures on security services provision in accordance with the Voluntary Principles on Security and Human Rights, and assess potential security providers against these principles
- Ensure security guard interaction with communities follows Project Stakeholder Engagement & CSR Standards and complies with the Voluntary Principles on Security and Human Rights
- Implement workforce HSSSE induction training, to include:
 - Worksite security (including camps)
 - Health and safety
 - Emergency Response training
 - Environment, social and cultural heritage requirements
 - TAP Project Code of Conduct
 - Control of disruptive noisy activities
 - Drugs, alcohol and smoking policy
 - Other restricted activities

 Trans Adriatic Pipeline	TAP AG	CAL00-PMT-000-B-TTM-0004	Rev. No.:	1
	Doc. no.:			Page:
	Doc. Title:	Industrial Relations Management Plan		

- Induction document on workers' rights
 - Project HSE, CSR and socioeconomic policies
 - Worker Grievance Mechanism
 - Local culture and sensitivities
 - Transmission routes, early symptoms and methods of prevention of communicable diseases of concern
 - Evacuation during emergency situations.
- Provide health awareness training, including communicable diseases, to the workforce
 - Conduct an awareness campaign about communicable diseases for communities close to the camps Mitigate impacts of activities (e.g. those that create noise or light) at worksites to avoid any public disturbance, or disturbance of camp residents.

4.4.8 Worker Grievance Management

Contractors are required to establish a Worker Grievance Mechanism which will:

- Be accessible and communicated to all workers in their native language
- Include an appropriate level of management and address concerns promptly, apply transparent and fair processes that provide timely feedback to those concerned, without any retribution
- Treat all worker grievances confidentially. Contractor worker grievance policies will also allow for anonymous complaints to be lodged and investigated
- Not impede worker access to judicial or administrative remedies that may be available.

4.4.9 Human Rights

To support promotion of Human Rights in IR Management, the Project requires Contractors to:

- Publish policy statements assuring respect for ILO Core Labour Standards
- Provide guidance to Sub-Contractors on ILO Standards and non-discrimination

 Trans Adriatic Pipeline	TAP AG	CAL00-PMT-000-B-TTM-0004	Rev. No.:	1
	Doc. no.:			
	Doc. Title:	Industrial Relations Management Plan	Page:	28 of 44

- Establish policies and procedures to ensure no discrimination or harassment in employment
- Provide induction document for staff and sub-contractor staff on employment rights
- Establish process to monitor hours worked and prevent excessive working
- Establish measures to prevent child or forced labour
- Ensure security firms sign Voluntary Code of Conduct for Private Security Providers
- Facilitate security firms' training in Voluntary Code of Conduct
- Establish human rights monitoring and KPIs, and put in place remedial action plans to address any non-compliance within 5 working days.

4.4.10 Camp Accommodation and Welfare

The Employment, Training and Worksite Management ESIP requires that employees be accommodated in camps and local hotels during the construction phase of the TAP Project. Contractors are required to:

- Establish a Worker Accommodation Plan that adopts national and international good practice including IFC/EBRD guidelines regarding the construction and management of worker accommodation, and the provision of medical facilities at worker accommodation
- Provide staffed medical facilities at construction camps
- Restrict consumption of alcohol in camps and implement a zero-tolerance policy of drunkenness or otherwise being under the influence in the workplace during on-duty hours
- Subject to Law, carry out appropriate drug and alcohol testing of the workforce and record results, which will be audited regularly
- Implement zero tolerance on prohibited drugs
- Provide a range of suitable recreational facilities within the camps to minimise the need for finding recreation in the local community.

4.4.11 Non-Camp Accommodation

Where Contractors propose to use non-camp accommodation during the construction phase (i.e. workers in hotels or other existing residential facilities), the TAP Project requires that they should:

 Trans Adriatic Pipeline	TAP AG	CAL00-PMT-000-B-TTM-0004	Rev. No.:	1
	Doc. no.:			
	Doc. Title:	Industrial Relations Management Plan	Page:	29 of 44

- Update the Accommodation Management Plan included in their Employment, Training and Worksite Management ESIP. ESIP should maintain compliance with international guidance of worker accommodation and TAP Project ESIA commitments
- Present a Project Change Proposal to the Change Board
- Facilitate TAP ESMS team review of Contractor Employment, Training and Worksite Management ESIPs (including Accommodation Management Plans) to ensure risks and issues associated with use of non-camp accommodation are appropriately documented and mitigation measures identified. (The TAP Project Non-Camp Accommodation Assessment Tool is attached, at Appendix 1)
- Facilitate continuing periodic ESMS team audits of non-camp accommodation
- Ensure effective management of third party grievances related to worker accommodation
- Ensure effective management of worker grievances related to worker accommodation
- Ensure worker participation in camp accommodation inspections
- Incorporate non-camp accommodation into compliance assurance programme.

4.5 Work Stoppages and Strike Management

Work stoppages or strikes during TAP Project construction are generally treated as social incidents, and addressed through TAP's Health and Safety, Incident Reporting and Investigation process (TAP-HSE-PR-0011). The Incident Reporting and Investigation process defines an incident as an unplanned or uncontrolled event or chain of events that has resulted in injury, illness or physical damage, environmental or cultural heritage or social damage, or non-conformity to agreed standards. Social incidents relate specifically to actions taken by third parties or employees at worksites to interrupt or draw negative attention to Project activities.

In the event of a strike or work stoppage, the Country IR/EPC forum will be mobilised to oversee investigation of the Incident, Contractor adoption of agreed corrective actions, and capture of lessons learned. The Country Manager will delegate a member to conduct the investigation, and report back to the meeting, applying Project incident management procedures related, for example, to evaluation of incident severity; incident notification; incident investigation process; and external reporting requirements. All work stoppages and strike actions will be logged as social incidents within incident reporting database Synergi.

In addition, all strike action and /or work stoppages must be immediately reported to the Industrial Relations Consultant and Human Resources Director.

 Trans Adriatic Pipeline	TAP AG	CAL00-PMT-000-B-TTM-0004	Rev. No.:	1
	Doc. no.:			
	Doc. Title:	Industrial Relations Management Plan	Page:	30 of 44

5. Coordination, Monitoring and Evaluation

The principal means of IR management coordination, monitoring and evaluation will be through the IRMC and Country IR/EPC management teams described in Section 3 above. Contractors need to ensure verification of IR management performance, to provide statistical reports to the TAP Project based on agreed metrics and to facilitate Project IR audits.

5.1 Contractor Weekly and Monthly Reports

Contractors are required to submit weekly and monthly reports to the TAP Project. The reports will include but not be limited to the following and the requirements set out in the CCPs and Project Standards.

5.1.1 Weekly reports

Contractors will report weekly on the following:

- Permit Register, including progress of permit applications and discharge of conditions; progress of the provision of all necessary information to the TAP Project for Project to obtain regulatory permits and approvals
- Progress of the preparation, acceptance and implementation of ESIPs, MSs and Control Documents
- Status of compliance with all ESIPs, including a detailed report of any instances of non-compliance
- Requests for any changes to the accepted Contractor ESMS
- Notification on IR disputes and developments
- Progress on grievance management, including any feedback received and progress of resolution, as per the TAP Project Third-Party and Workers Grievance Mechanisms (implemented by Contractor)
- Updates on interactions with all stakeholders (including landowners and communities), and any requirements for community or landowner liaison or agreements
- Environmental and social monitoring undertaken in accordance with the Compliance Monitoring ESIP and the results achieved.

5.1.2 Monthly reports

Contractors will report monthly on:

- All Industrial Relations Key Performance Indicators (KPI's)

 Trans Adriatic Pipeline	TAP AG	CAL00-PMT-000-B-TTM-0004	Rev. No.:	1
	Doc. no.:			Page:
	Doc. Title:	Industrial Relations Management Plan		

- Implementation of the Employment, Training and Worksite Management and Stakeholder Engagement and CSR ESIPs to include the following information:

Performance against agreed Key Performance Indicators (KPIs).

- Results of audits and inspections undertaken by Contractor, non-conformances identified and corrective actions taken
- Third party and Worker Grievances received, actions taken to resolve the grievances and their status
- Government or Trade union interventions/engagement
- Work Improvement Notices (WIN), Corrective Action Requests and Temporary Work Suspension Notices (TWS) issued and progress towards close-out
- Incidents, incident investigations, implementation of corrective actions and lessons learnt
- Contact log and correspondence.

5.2 Key Performance Indicators

The TAP Project IR management KPIs are set out in **Error! Reference source not found.3.**

Table 3 Industrial Relations Key Performance Indicators

Area	Key Performance Indicators
Manpower	<ul style="list-style-type: none"> • Total no. of workers per country <ul style="list-style-type: none"> - Local workers - National workers - Non-EU workers • No. of workers - unskilled, skilled, professional <ul style="list-style-type: none"> - Unskilled - Semi-skilled - Skilled - Professional • No. of employees - Gender breakdown <ul style="list-style-type: none"> - Male workers - Female workers • No. of workers from vulnerable communities (i.e. Roma)
Working Time	<ul style="list-style-type: none"> • Total number of hours worked (normal working hours/overtime) • Normal time • Overtime hours
Dismissals	<ul style="list-style-type: none"> • No. of Dismissals • No. of disciplinary cases held

 Trans Adriatic Pipeline	TAP AG Doc. no.:	CAL00-PMT-000-B-TTM-0004	Rev. No.:	1
	Doc. Title:	Industrial Relations Management Plan	Page:	32 of 44

Area	Key Performance Indicators
	<ul style="list-style-type: none"> • Number of formal warnings issued • Number of final warnings issued • Nature of offence disciplined
Worker Grievances	<ul style="list-style-type: none"> • Total number of worker grievances managed (accumulated) • Number of worker grievances handled per month • Number of worker grievances settled • Number of on-going worker grievances • Number of grievances related to: <ul style="list-style-type: none"> - Recruitment - Employment (wages, late-payment, social security) - Discrimination - Unfair treatment - Accommodation - Trade Union activities - Demobilisation
Worker Accommodation	<ul style="list-style-type: none"> • Number and location of camps, number of workers per camp per country • Number of workers in hotel accommodation per country
Trade Unions and Worker Associations	<ul style="list-style-type: none"> • Trade Union Membership and Developments • Unions / Worker Associations Recognised • Visits from Trade Unions - name of official, date/ purpose
Strikes and Stoppages (Collective Disputes)	<ul style="list-style-type: none"> • Strikes - detail on country, issue of dispute, no. workers involved, duration, resolution details • Notification of changes to National Employment Legislation • Work stoppages (duration/issues and demands)
Worker Communications	<ul style="list-style-type: none"> • No. of sessions held • Communication subject
Demobilization	<ul style="list-style-type: none"> • No. of staff Demobilised • No of Demob. Communication events/ sessions held

5.3 Internal Contractor IR Management Audits

Contractors will conduct regular IR Management audits of their own and Sub-Contractors' IR management performance. If a non-conformance is identified during an audit, Contractor must take prompt corrective action to ensure compliance with IRMP/policies and procedures. Contractor should promptly notify Country Project Managers in writing of any non-conformance, stating:

- Details of non-conformance
- Proposed corrective action
- Time and date by which the corrective action will be completed

 Trans Adriatic Pipeline	TAP AG	CAL00-PMT-000-B-TTM-0004	Rev. No.:	1
	Doc. no.:			
	Doc. Title:	Industrial Relations Management Plan	Page:	33 of 44

- Effect upon employee relations and the Contractor's general performance of the Contract.

5.4 TAP Project Audits of Contractor IR Performance

The TAP Project requires that Contractor IR management performance complies with all Project requirements and commitments. The compliance assurance process will aim at ensuring that IR management satisfies the commitments made in the Project ESIA's and HRIA and international good practice, and provides a mechanism for implementing new measures to mitigate any Project-related negative impact and facilitate continual improvement in IR management.

The Country IR/EPC monthly forum will oversee the conduct of oversight audits or reviews of Contractors' IR management policies and procedures at any time during the term of the Contract. Similar audits may also be undertaken on Sub-contractors by Company or the Contractor.

5.4.1 Audit Schedule

A schedule of planned IR management audits is provided at Appendix 2. This may be revised by the IRMC during the Project to take account of the construction schedule or other circumstances. In general terms, however, each Contractor should be audited at least once per year.

The audit findings may require the audit leader to reschedule the next periodic audit by increasing or decreasing its frequency. The audit schedule will be updated as required.

5.4.2 Audit Protocol

The Country IR responsible will appoint the TAP Project audit team leader and may invite other team members (e.g. ESMS, H&S, Security staff) to participate as appropriate. The audit leader will ensure the following activities as a minimum are completed:

- Development of an audit protocol (A model audit protocol is at Appendix 3.)
- Convene the audit opening meeting
- Instruct audit team members on their areas of responsibility during the audit
- Review all audit findings
- Conduct the closing meeting
- Raise appropriate non-compliance reports
- Issue the audit report

 Trans Adriatic Pipeline	TAP AG	CAL00-PMT-000-B-TTM-0004	Rev. No.:	1
	Doc. no.:			
	Doc. Title:	Industrial Relations Management Plan	Page:	34 of 44

- Follow-up to close out all findings.

The TAP Project will, to the extent feasible, provide Contractors with a written notice within 10 working days of all upcoming external audits to ensure that all appropriate staff (as requested by the Project) are available for the process and all associated documentation and monitoring records are readily available.

5.4.3 Audit conduct

The worksite to be audited will be determined by the Audit Leader taking account of current construction activities, locations that may encounter workforce sensitivities, and areas in which it is known/suspected that IR management problems exist.

The Audit Leader will develop an audit protocol (see Appendix 3 for an example) to cover the components identified in the audit schedule. This protocol will be used as an ‘aide-memoire’ for the auditor(s). All audit notes, for example observations of good and practice and any non-compliance identified, will be recorded on the protocol.

The Audit Leader will be responsible for organizing and confirming logistical arrangements of the audit (travel, accommodation, attendance on site etc.).

5.4.4 Non-Compliance

Any non-compliance identified through the assurance monitoring process will be managed according to the procedures outlined in the TAP Project ESMS Manual (CAL00-RSK-601-Y-TTM 0002). Where audits and identify non-compliance against the Project CCPs and Project Standards, the Project will issue Work Improvement Notices (WIN), Corrective Action Requests or Temporary Work Suspension Notices (TWS) as appropriate to the Contractor which must be addressed in a timely manner:

- A WIN is issued when a minor non-compliance is identified. WINs are divided into two types: those that can be dealt with immediately (within 24 hours) on site, and those which require a greater period to close out.
- Corrective Action Requests are intended for major Project and Contractor ESMS-related deficiencies that are normally identified during audits. However, significant non-compliances identified by the field team, including where Project management input may be required, may also result in a Corrective Action Request.
- TWS Notices are issued when there is a perceived immediate or imminent danger to worker or public health and safety, or there is a perceived immediate or imminent danger of a major environmental, social or cultural heritage incident. Once halted by a TWS notice, under no circumstances shall work be resumed until the TAP Project Representative has verified that all conditions that prompted the TWS Notice have been addressed or corrected to the Project’s satisfaction. Any staff who ignore or

 Trans Adriatic Pipeline	TAP AG	CAL00-PMT-000-B-TTM-0004	Rev. No.:	1
	Doc. no.:			
	Doc. Title:	Industrial Relations Management Plan	Page:	35 of 44

violate a TWS notice will be subject to disciplinary action that may include dismissal from the Project.

Reported non-compliances will be reviewed by the Project on a regular basis with the view of identifying trends and investigating root causes of non-compliance and corrective and preventative action(s) are taken to prevent recurrence.

If IRMP non-compliances are identified during IR audits, they will be closed out as follows:

- Documented evidence of closing out the non-compliance (this may be reported in the daily assurance monitoring or weekly inspections); and/or
- Follow up audit confirming non-compliances are closed out.

The TAP Project Audit Leader will specify the method for non-compliance close out at the closing meeting. If, after receiving the documentary evidence of the close out, the auditor is not satisfied, a follow-up audit will be scheduled.

5.4.5 Action Tracker System

The TAP Project will maintain an Action Tracker System (ATS) for those actions that are the direct responsibility of the Project, separate to the ATS developed and maintained by Contractors. The ATS will be Project wide and include any actions relating to risk management. The ATS will be a computer-based action tracker that can be accessible from all Project offices by all employees to ensure transparency and clear communication of non-compliances and actions. All non-compliances will be entered on to the ATS and tracked to close out.

5.4.6 Audit reports

Each audit carried out will be documented in the form of a written report. This will include recording all identified non-compliances and observations. Where good practices are observed, these will also be recorded.

All audit reports will be retained by the TAP Project Industrial Relations Consultant for the length of the construction phase. All non-compliances noted during the construction and commissioning phase of the Project shall be entered on to the ATS and tracked to close out.

6. Industrial Relations External Communication

Due to the complexity, size and profile of the TAP Projects 'in country', it is imperative that the lines of communication on IR management related issues with external stakeholders are managed in conjunction the TAP Country Office and TAP Head Office teams.

 Trans Adriatic Pipeline	TAP AG Doc. no.:	CAL00-PMT-000-B-TTM-0004	Rev. No.:	1
	Doc. Title:	Industrial Relations Management Plan	Page:	36 of 44

Contractors will be responsible for communication with external parties relevant to their work. Where such communications deal with government and other sensitive stakeholders, support and assistance will be available from TAP's Country Offices and the Commercial and Public Affairs function in Baar. Where contractors engage with local community members and landowners, they may enlist the support of TAP's ESMS and LEA teams.

Any TAP Project press statement or media releases which relate to Industrial Relations disputes must first be endorsed by the Managing Director, Human Resources Director, General Counsel and Project Director who will manage interface through the Industrial Relations Consultant, Country Project Manager and Country Office teams.

	TAP AG	CAL00-PMT-000-B-TTM-0004	Rev. No.:	1
	Doc. no.:			
	Doc. Title:	Industrial Relations Management Plan	Page:	37 of 44

Appendix 1. Non-Camp Accommodation Assessment Tool

			Yes	To a Large Degree	To a Limited Degree	No	N.A.	Notes
Hotel capacity	1	Accommodation capacity – rooms						Not a factor in the assessment
	2	Accommodation capacity - beds						
	3	Availability and Booking notification						
Hotel ownership	4	Is the hotel locally owned?						
	5	Is the hotel ownership independent of TAP, contractors or government?						
	6	Is the hotel's business registration and tax status current?						
Standards of accommodation	7	Is hotel located within 30-minutes drive from the worksite?						
	8	Does hotel provide adequate heating, ventilation, air conditioning and light systems including emergency lighting?						
	9	Is drinking water available at hotel accommodation?						
	10	Is drinking water quality monitored regularly?						
	11	Is hotel accommodation regularly cleaned and satisfy health and hygiene requirements?						
	12	Are mosquito screens provided in the rooms (if applicable to local conditions)?						
	13	Are all workers provided with single occupancy rooms?						
	14	Are mattresses and pillows comfortable and are bed linens clean and changed regularly?						
	15	Are there adequate facilities for the storage of personal belongings and PPEs?						
	16	Does the hotel provide sufficient and accessible toilet facilities?						
	17	Does the hotel provide separate toilet facilities for men and women?						

	TAP AG	CAL00-PMT-000-B-TTM-0004	Rev. No.:	1
	Doc. no.:			
	Doc. Title:	Industrial Relations Management Plan	Page:	38 of 44

			Yes	To a Large Degree	To a Limited Degree	No	N.A.	Notes
	18	Does the hotel provide sufficient and accessible shower/ bathroom facilities?						
	19	Does the hotel provide separate shower/ bathroom facilities for men and women?						
	20	Are adequate facilities for washing and drying clothes provided?						
	21	Does the hotel regularly conduct pest extermination, vector control and disinfection?						
	22	Are workers provided with enough space in the canteen?						
Nutrition/ food safety	23	Are the persons in charge of the kitchen particularly trained in nutrition and food handling and adequately supervised?						
	24	Does hotel provide food of appropriate nutritional value?						
	25	Does hotel provide range of meal options to satisfy cultural and religious values?						
	26	Do food preparation facilities ensure good food hygiene practices, including protection against contamination between and during food preparation?						
	27	Do hotel kitchens provide facilities to maintain adequate personal hygiene including sufficient number of washbasins designated for cleaning hands and materials for hygienic drying?						
	28	Do hotel kitchens provide adequate facilities for cleaning, disinfecting and storage of cooking utensils and equipment?						
	29	Are hotel kitchens regularly inspected by independent authorities?						
Medical facilities	30	Are first aid kits provided in adequate numbers?						
	31	Is there an adequate number of staff/workers trained to provide first aid?						
	32	Are emergency medical services located near the hotel?						
Social facilities	33	Are basic social and recreational facilities provided in the hotel?						
	34	Are telecommunication and internet services provided at the hotel at affordable/public prices?						
Local community impacts	35	Has contractor conducted assessment of potential impacts of hotel use on neighbouring households and communities?						
	36	Can staff transport avoid sensitive receptors - e.g. schools, health facilities?						

	TAP AG	CAL00-PMT-000-B-TTM-0004	Rev. No.:	1
	Doc. no.:			
	Doc. Title:	Industrial Relations Management Plan	Page:	39 of 44

			Yes	To a Large Degree	To a Limited Degree	No	N.A.	Notes
	37	Can contractor ensure effective mitigation of all identified community impacts?						
	38	Are proposed hotels located in the centre of highly populated areas?						
	39	Is proposed hotel relied on by local community for some cultural events or community meetings? Is it more busy during the year or particular time of theyear/season?						
Employment conditions	40	Are hotel staff members recruited from surrounding communities?						
	41	Are hotel staff salaries and conditions appropriate within the local area and sector?						
	42	Do hotel staff have written contracts?						
	43	Do hotel staff have the right to join trades unions?						
	44	Have the staff received basic health and safety training?						
Health and safety	45	Can the contractor ensure electrical, mechanical, structural and food safety in the hotel?						
	46	Does the hotel have appropriate emergency plans for fire, earthquakes, floods etc.?						
	47	Are fire doors and fire extinguishers regularly inspected?						
	48	Is electrical equipment maintained in a safe condition?						
Security	49	Does hotel provide accommodation exclusively for use of project staff?						
	50	Does the hotel segregate male and female accommodation?						
	51	Can management prevent unauthorized entry to the hotel?						
	52	Does hotel keep visitors' IDs?						
	53	Does hotel implement appropriate measures to protect hotel guests against theft and attack?						
	54	Does the hotel provide security personnel on 24/7 duty to ensure protection of guests?						
	55	Are all security personnel checked before employment for previous crimes and abuses?						
	56	Are security personnel trained, qualified and authorised (licenced) to provide such services?						
	57	Are police and emergency services located within short distance of the hotel?						

 Trans Adriatic Pipeline	TAP AG	CAL00-PMT-000-B-TTM-0004	Rev. No.:	1
	Doc. no.:			Page:
	Doc. Title:	Industrial Relations Management Plan		

			Yes	To a Large Degree	To a Limited Degree	No	N.A.	Notes
Waste management	58	Does the hotel discharge wastewater, sewage, food and any other waste materials appropriately, in compliance with all relevant regulations and without significant impacts on camp residents, the environment or surrounding communities?						
	59	Are specific containers for rubbish collection provided and emptied on a regular basis?						
Resource Management	60	Can resource use of project occupancy be measured and recorded.						

 Trans Adriatic Pipeline	TAP AG	CAL00-PMT-000-B-TTM-0004	Rev. No.:	1
	Doc. no.:			
	Doc. Title:	Industrial Relations Management Plan	Page:	42 of 44

Appendix 3. Model IR Audit Protocol

Management of Industrial Relations

- Are plans in place for recording of key Industrial Relations data?
- Are plans in place to allow workers to exercise their Freedom of Association Rights – i.e. allow Employee representatives access to work sites and/or worker camps?
- Does the Contractor have plans in place to monitor HR/IR practices in sub-contracting companies? Evidence
- Has contractor HR/IR policy been communicated to sub-contractor companies?
- Is the Worker Grievance Mechanism and Disciplinary code available, translated and communicated to employees? Evidence
- Are information notice boards available for relevant employment notices? Evidence
- Are plans in place to allow employee meetings if required?
- Are plans in place for managing the demobilization process?

Worker Rights

Hours of Work

- Are registers of working hours kept on site? Evidence.
- Are overtime hours monitored in line with National Legal provisions?
- Are rest breaks strictly adhered to and enforced?
- Payroll and overtime records reconciliation. Evidence

Freedom of Association

- Are employees aware of their right to association?
- If applicable, is there union representation present on site?
- Have there been any visits by trade union officials?
- Are worker rights communicated during induction sessions?
- Do workers have a facility for worker meetings if required?

Recruitment

- What % of the employees on site are local?
- Does the Contractor utilize the resources of any bound labour?
- Does the company have a Policy prohibiting the use of forced and child labour?
- Is this policy communicated to all sub-contractors?
- Are external labour recruitment agencies / brokers used?
- Are workers obliged to pay any fees to obtain employment?
- Are workers bound to the Contractor for employment through work visas?
- Do all workers have proof of residence and age on personal files?
- Do all employee files/registers contain valid work permits?
- Are recruitment initiatives carried out in the immediate vicinity of the pipeline construction area?
- Are recruitment initiatives devoid of any reference to gender?
- What plans are in place to deal with employment applications from Vulnerable groups (Roma communities)?
- What plans are in place to deal with the potential inflow of illegal workers?
- Are applicant references checked for previous employment and security clearance?

 Trans Adriatic Pipeline	TAP AG	CAL00-PMT-000-B-TTM-0004	Rev. No.:	1
	Doc. no.:			
	Doc. Title:	Industrial Relations Management Plan	Page:	43 of 44

Selection

- Are selection methods/techniques objective, non-discriminatory and fair?
- What controls are in place to ensure that illegal workers are not employed?
- What safeguards are in place to protect against 'black-listing' and the recruitment of forced and child labour.

Contracts of Employment

- Are employment contracts securely kept on file?
- Are the identity documents of workers retained by the Contractor during employment?
- Are employment contracts posted to worker's homes prior to commencement of employment?
- Are the employment contracts detailed indicating salary and conditions of employment?
- Are employment contracts in local language and indicate the rights and responsibilities of workers??
- Have employment contracts been verbally explained to new workers?
- Do employment contracts have disciplinary and grievance policies and procedures as addendums?
- Do contracts detail worker nationality, gender and age?
- Do Conditions of Employment comply or exceed the minimum conditions are required by Law?
- Are wages and employment conditions in line with benchmarked positions in the area / industry?
- Does the Contractor have current salary benchmark data?
- Do workers have the right to employment voluntarily and freely, without the threat of a penalty?
- Do workers have the freedom to terminate employment at any time without penalty?
- Are food, accommodation, transport, medical facilities and PPE provided to workers by the organisation free of charge or are these costs borne by the workers?
- do workers retain their own identity / passport documentation after completing pre-employment procedures with the Contractor?

Disciplinary Measures

- Does the Contractor have a clear Disciplinary Policy and Procedure communicated to workers in their home language?
- Does the Contractor Disciplinary Policy and Procedure allow for worker representation and appeal?
- Is there evidence that disciplinary sanctions require or result in an obligation to work e.g. through sanction for having participated in a strike?

Social Security

- Do the individual employment files contain proof of social security registration?
- Is a valid social security registration certificate available in the site office for inspection?
- Is proof available of social security payments made?

Worker Grievance Policy and Procedure

- Does the policy and procedure allow for an escalated approach to grievance handling?
- Does the policy and procedure form an addendum to the employment contract?
- Was / does the Policy and Procedure form a part of the Induction Program?
- Does the policy allow for employee representation?

 Trans Adriatic Pipeline	TAP AG	CAL00-PMT-000-B-TTM-0004	Rev. No.:	1
	Doc. no.:			Page:
	Doc. Title:	Industrial Relations Management Plan		

- Are confidential records of Grievances held?
- Does the policy and procedure include the Right to Appeal?

Harassment and Victimization

- Does the employer have a clear policy on Harassment and Victimization?
- Is this policy communicated to workers?
- Are there reports/ details of any issues / grievances regarding discrimination on site?
- Can instances be managed through the worker grievance procedure?
- Does the policy allow for 'whistle-blowing'?

Retrenchment / Demobilization

- Are plans in place to manage the process?
- Are selection criteria objective and communicated to workers?
- Will workers selected for demobilization receive adequate notice?
- Are alternatives/ opportunities made available to demobilized employees?

Communication

- How often do toolbox talks occur?
- Are employment issues discussed?
- Do the discussions invite questions?

Next of Kin

- Do employee records contain next-of-kin details?
- Does a Crisis Management Plan exist and who is responsible?
- Who is designated to contact 'next-of-kin'?
- Is a plan in place to deal with advising 'next of kin'?

Strike Management Policy

- Is there a detailed Strike Management Plan in place?
- What contingency is there to notify TAP Management?
- What plan is in place to deal with the Press?

Work Place Management

- Is drinking water available close to place of work?
- Is shelter available for rest periods?
- How are rest breaks managed?
- Where do workers store clothing/personal belongings on site?
- Are sufficient toilet facilities available close-by?
- Is there a system available to contact a worker in case of a personal emergency?
- Is there a worker representation structure / worker representatives present?

Sub-Contractor Audits

- Is there a schedule for HR / IR Audits for sub-contractors and suppliers?
- Are sub-contractor Audit reports available?