




Sedex Members Ethical Trade Audit Report

Version 6.1



Audit Details			
Sedex Company Reference: <i>(only available on Sedex System)</i>	ZC: 1015133	Sedex Site Reference: <i>(only available on Sedex System)</i>	ZS: 1087348
Business name (Company name):	Zadrugar d.o.o.		
Site name:	Zadrugar d.o.o. – Hladnjača Donja Ljuboviđa		
Site address: <i>(Please include full address)</i>	Donja Ljuboviđa bb, 15320 Ljubovija	Country:	Serbia
Site contact and job title:	Aleksandar Zlatković, Sales Manager		
Site phone:	+381 64 8632407	Site e-mail:	Zlatkovic@fruit.rs
SMETA Audit Pillars:	<input checked="" type="checkbox"/> Labour Standards	<input checked="" type="checkbox"/> Health & Safety (plus Environment 2-Pillar)	<input checked="" type="checkbox"/> Environment 4-pillar <input checked="" type="checkbox"/> Business Ethics
Date of Audit:	26-27.05.2022.		

Audit Company Name & Logo:  Bureau Veritas	Report Owner (payer): <i>(If paid for by the customer of the site please remove for Sedex upload)</i> Zadrugar d.o.o.
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Audit Conducted By					
Affiliate Audit Company	<input checked="" type="checkbox"/>	Purchaser	<input type="checkbox"/>	Retailer	<input type="checkbox"/>
Brand owner	<input type="checkbox"/>	NGO	<input type="checkbox"/>	Trade Union	<input type="checkbox"/>
Multi-stakeholder	<input type="checkbox"/>	Combined Audit (select all that apply)			

If you have any concerns or queries about this SMETA report or the associated SMETA audit, please contact grievance@sedex.com.

To confirm the validity of this report, please visit <https://www.sedex.com/audit-verifier/>

Audit Content:

(1) A SMETA audit was conducted which included some or all of Labour Standards, Health & Safety, Environment and Business Ethics. The SMETA Best Practice Version 6.1 was applied. The scope of workers included all types at the site e.g. direct employees, agency workers, workers employed by service providers and workers provided by other contractors. Any deviations from the SMETA Methodology are stated (with reasons for deviation) in the SMETA Declaration.

(2) The audit scope was against the following reference documents

2-Pillar SMETA Audit

- ETI Base Code
- SMETA Additions
 - Universal rights covering UNGP
 - Management systems and code implementation,
 - Responsible Recruitment
 - Entitlement to Work & Immigration,
 - Sub-Contracting and Home working,

4-Pillar SMETA

- 2-Pillar requirements plus
- Additional Pillar assessment of Environment
- Additional Pillar assessment of Business Ethics
- The Customer's Supplier Code (Appendix 1)

(3) Where appropriate non-compliances were raised against the ETI code / SMETA Additions & local law and recorded as non-compliances on both the audit report, CAPR and on Sedex.

(4) Any Non-Compliance against customer code shall not be uploaded to Sedex. However, in the CAPR these 'Variances in compliance between ETI code / SMETA Additions/ local law and customer code' shall be noted in the observations section of the CAPR.

SMETA Declaration

I declare that the audit underpinning the following report was conducted in accordance with SMETA Best Practice Guidance and SMETA Measurement Criteria.

- (1) Where appropriate non-compliances were raised against the ETI code / SMETA Additions & local law and recorded as non-compliances on both the audit report, CAPR and on Sedex.
- (2) Any Non-Compliance against customer code alone shall not be uploaded to Sedex. However, in the CAPR these 'Variances in compliance between ETI code / SMETA Additions/ local law and customer code' shall be noted in the observations section of the CAPR.

Any exceptions to this must be recorded here (e.g. different sample size): None

Auditor Team (s) (please list all including all interviewers):

Lead auditor: Jovan Babić	APSCA number: 21704802
Lead auditor APSCA status: Registered Auditor	
Team auditor: Vladan Čokic	APSCA number: 21701783
Team auditor APSCA status: Registered Auditor	
Interviewers: Jovan Babić	APSCA number: 21704802

Report writer: Jovan Babić

Report reviewer: Monika Marciniak

Date of declaration: 26.5.2022

Note: The focus of this ethical audit is on the ETI Base Code and local law. The additional elements will not be audited in such depth or scope, but the audit process will still highlight any specific issues.

This report provides a summary of the findings and other applicable information found/gathered during the social audit conducted on the above date only and does not officially confirm or certify compliance with any legal regulations or industry standards. The social audit process requires that information be gathered and considered from records review, worker interviews, management interviews and visual observation. More information is gathered during the social audit process than is provided here. The audit process is a sampling exercise only and does not guarantee that the audited site prior, during or post-audit, are in full compliance with the Code being audited against. The provisions of this Code constitute minimum and not maximum standards and this Code should not be used to prevent companies from exceeding these standards. Companies applying this Code are expected to comply with national and other applicable laws and where the provisions of law and this Code address the same subject, to apply that provision which affords the greater protection. The ownership of this report remains with the party who has paid for the audit. Release permission must be provided by the owner prior to release to any third parties.

Summary of Findings

Issue <i>(please click on the issue title to go direct to the appropriate audit results by clause)</i> Note to auditor, please ensure that when issuing the audit report, hyperlinks are retained.	Area of Non-Conformity <i>(Only check box when there is a non-conformity, and only in the box/es where the non-conformity can be found)</i>				Record the number of issues by line*:			Findings <i>(note to auditor, summarise in as few words as possible NCs, Obs and GE)</i>
	ETI Base Code	Local Law	Additional Elements	Customer Code	NC	Obs	GE	
0A Universal Rights covering UNGP			<input type="checkbox"/>	<input type="checkbox"/>				None.
0B Management systems and code implementation		<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>		1		OB: <ul style="list-style-type: none"> Code of conduct is not communicated to their own suppliers in order to extend the principles of this Ethical Code through their supply chain./Preporuka da se komunicira etički kodeks u sopstvenom lancu snabdevanja, gde je praktično i opravdano, kako bi se afirmisali principi etičkog poslovanja u lancu snabdevanja.
1. Freely chosen Employment	<input type="checkbox"/>	<input type="checkbox"/>		<input type="checkbox"/>				None.
2. Freedom of Association	<input type="checkbox"/>	<input type="checkbox"/>		<input type="checkbox"/>				None.
3. Safety and Hygienic Conditions	<input checked="" type="checkbox"/>	<input type="checkbox"/>		<input type="checkbox"/>	3			NCs: <ul style="list-style-type: none"> Key left in forklift/ Ostavljen ključ u viljuskaru There is no eye wash station and suitable absorbent in the battery charger room/ U punionici baterija ne postoji sredstvo za ispiranje oči kao ni odgovarajući apsorberent Receiving tanks under the package with chemicals (in storage of chemicals for cleaning) do not have enough capacity/ Tankvane ispod hemikalija u skladištu hemikalija za čišćenje nisu dovoljnog kapaciteta

4	<u>Child Labour</u>	<input type="checkbox"/>	<input type="checkbox"/>		<input type="checkbox"/>				None.
5	<u>Living Wages and Benefits</u>	<input type="checkbox"/>	<input type="checkbox"/>		<input type="checkbox"/>				None.
6	<u>Working Hours</u>	<input type="checkbox"/>	<input type="checkbox"/>		<input type="checkbox"/>				None.
7	<u>Discrimination</u>	<input type="checkbox"/>	<input type="checkbox"/>		<input type="checkbox"/>				None.
8	<u>Regular Employment</u>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>				None.
8A	<u>Sub-Contracting and Homeworking</u>		<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>				None.
9	<u>Harsh or Inhumane Treatment</u>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>				None.
10A	<u>Entitlement to Work</u>		<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>				None.
10B2	<u>Environment 2-Pillar</u>		<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>				None.
10B4	<u>Environment 4-Pillar</u>		<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	1			NC: <ul style="list-style-type: none"> Receiving tanks under the package with chemicals (in storage of dangerous waste) do not have enough capacity/ Tankvane ispod hemikalija (na lokaciji skladišta otpada) nisu dovoljnog kapaciteta
10C	<u>Business Ethics</u>		<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>				None.

General observations and summary of the site:

Company Zadrugar d.o.o. was established 1991. Company is located in city of Ljubovija, near the river Drina close to Bosnian border. HQ of company is located in Ljubovija, one of cold stores is located village Ljuboviđa, about 10 km of head office. Thanks to excellent management, permanent investment, most modern technology and equipment, Zadrugar d.o.o. is one of leading companies in production and export of frozen fruit in region. Company has implemented and certified management systems in accordance with food safety standard IFS. Company management has provided support to auditors for the realization of audit and the whole time of audit was available to the auditors for all necessary information. All required documents and records were present for review. Provided visit of the whole site in order to create a clear picture of

conditions in the workplace. Confidential interviews with ten twenty-six selected workers were conducted. The interviews took place in separate room where the interviewed employees felt comfortable.
During audit raised three non-conformities (in areas of health and safety and environmental protection) and one observation.

**Please note the table above records the total number of Non-compliances (NC), Observations (Obs) and Good Examples (GE). This gives the reviewer an indication of problem areas but does not detail severities of each issue – Reviewers need to check audit results by clause.*

Site Details

Site Details														
A: Company Name:	Zadrugar d.o.o.													
B: Site name:	Zadrugar d.o.o. – hladnjača Donja Ljuboviđa													
C: GPS location: (If available)	GPS Address:	Latitude: 44.215746 Longitude: 19.417042												
D: Applicable business and other legally required licence numbers and documents, for example, business license number, liability insurance, any other required government inspections	Business registration number: 074017 87 (with no validity date) Tax registration nr. (VAT number):101302164													
E: Products/Activities at site, for example, garment manufacture, electricals, toys, grower, cutting, sewing, packing etc	Storage, processing, packaging and distribution of frozen fruits.													
F: Site description: (Include size, location, and age of site. Also, include structure and number of buildings)	<p>The factory was built in 2001, the first floor and the chamber were added in 2003, and in 2014 a large extension to the current capacities. Factory has next capacities: - six stationary freezing tunnels (up to 100t per batch) - six chambers for deep freezing storage of raw materials,</p> <table border="1"> <thead> <tr> <th>Production Building no</th> <th>Description</th> <th>Remark, if any</th> </tr> </thead> <tbody> <tr> <td>Production building-location Donja Ljuboviđa</td> <td>Sorting and packing of fruits</td> <td>n/a</td> </tr> <tr> <td>Storage-location Donja Ljuboviđa</td> <td>Storage of raw material (fresh fruits) and storage of final production (sorted and packaged fruits)</td> <td>n/a</td> </tr> <tr> <td>Is this a shared building?</td> <td>No.</td> <td>n/a</td> </tr> </tbody> </table> <p>(4,500 to 5,000 t) - one storage chamber for finished products Total plot area is 2,094ha, while area of all buildings is about 8000m2 and contains: -Processing area1- 800m2 -Processing area 2-200m2 -Manipulative corridors 500m2 -Bearings 2600m2 (4,500 to 5,000 t) -Warehouse for pallets 1000m2 -Floor warehouse 1,200 m2 (archive, warehouse of spare parts, storage of chemicals, warehouse of personal protection equipment.</p>		Production Building no	Description	Remark, if any	Production building-location Donja Ljuboviđa	Sorting and packing of fruits	n/a	Storage-location Donja Ljuboviđa	Storage of raw material (fresh fruits) and storage of final production (sorted and packaged fruits)	n/a	Is this a shared building?	No.	n/a
Production Building no	Description	Remark, if any												
Production building-location Donja Ljuboviđa	Sorting and packing of fruits	n/a												
Storage-location Donja Ljuboviđa	Storage of raw material (fresh fruits) and storage of final production (sorted and packaged fruits)	n/a												
Is this a shared building?	No.	n/a												

	<p>-Other 1,700 (ramps, wells, porter's lodge, maintenance room, freezing tunnels, sub-refrigeration.</p> <p>For below, please add any extra rows if appropriate.</p> <p>F1: Visible structural integrity issues (large cracks) observed? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No</p> <p>F2: Please give details: all facilities, equipment used by the company for its activities as well as all supporting infrastructure are in good condition, which is confirmed by visual observations during the site visit and through appropriate reports on inspections of equipment and installations.</p> <p>F3: Does the site have a structural engineer evaluation? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No</p> <p>F4: Please give details: Permit to work no. 351-3/13-04 dated 14.03.2013. from Municipality of Ljubovija (this Permit to use is indefinite if there are no changes in company activities)</p>
<p>G: Site function:</p>	<input type="checkbox"/> Agent <input checked="" type="checkbox"/> Factory Processing/Manufacturer <input type="checkbox"/> Finished Product Supplier <input type="checkbox"/> Grower <input type="checkbox"/> Homeworker <input type="checkbox"/> Labour Provider <input type="checkbox"/> Pack House <input type="checkbox"/> Primary Producer <input type="checkbox"/> Service Provider <input type="checkbox"/> Sub-Contractor
<p>H: Month(s) of peak season: (if applicable)</p>	<p>June, July, August</p>
<p>I: Process overview: <i>(Include products being produced, main operations, number of production lines, main equipment used)</i></p>	<p>Products: Frozen fruits.</p> <p>Main production processes: Purchase, receiving, segregation, metal detector, packing, freezing of fruit (raspberry and blackberry) in six stationary freezing tunnel, six chambers for deep freezing storage of raw materials, one storage chamber for finished products.</p>
<p>J: What form of worker representation / union is there on site?</p>	<input type="checkbox"/> Union (name) <input type="checkbox"/> Worker Committee <input checked="" type="checkbox"/> Other (specify) worker representative <input type="checkbox"/> None
<p>K: Is there any night production work at the site?</p>	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
<p>L: Are there any on site provided worker accommodation buildings e.g. dormitories</p>	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No <p>L1: If yes, approx. % of workers in on site accommodation</p>

<p>M: Are there any off site provided worker accommodation buildings</p>	<p> <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No M1: If yes, approx. % of workers </p>
<p>N: Were all site-provided accommodation buildings included in this audit</p>	<p> <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No N1: If no, please give details N/A </p>

Audit Parameters			
A: Time in and time out	Day 1 Time in: 9:30 Day 1 Time out: 17:30	Day 2 Time in: 9:00 Day 2 Time out: 13:00	Day 3 Time in: Day 3 Time out:
B: Number of auditor days used:	1,5 MD on site by 2 auditors		
C: Audit type:	<input checked="" type="checkbox"/> Full Initial <input type="checkbox"/> Periodic <input type="checkbox"/> Full Follow-up <input type="checkbox"/> Partial Follow-Up <input type="checkbox"/> Partial Other If other, please define:		
D: Was the audit announced?	<input checked="" type="checkbox"/> Announced <input type="checkbox"/> Semi – announced: Window detail: weeks <input type="checkbox"/> Unannounced		
E: Was the Sedex SAQ available for review?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No If No, why not		
F: Any conflicting information SAQ/Pre-Audit Info to Audit findings?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No If Yes , please capture detail in appropriate audit by clause		
G: Who signed and agreed CAPR (Name and job title)	Aleksandar Zlatković, Sales Manager		
H: Is further information available (if yes, please contact audit company for details)	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No		
I: Previous audit date:	08-09/05/2019		
J: Previous audit type:	Full initial		
K: Were any previous audits reviewed for this audit	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A		

Audit attendance	Management	Worker Representatives	
	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
A: Present at the opening meeting?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
B: Present at the audit?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
C: Present at the closing meeting?			

<p>D: If Worker Representatives were not present please explain reasons why <i>(only complete if no worker reps present)</i></p>	<p>N/A</p>
<p>E: If Union Representatives were not present please explain reasons why: <i>(only complete if no union reps present)</i></p>	<p>No Union on site</p>

Worker Analysis

The term "migrant worker" refers to a person who is engaged or has been engaged in a remunerated activity in a country of which they are not a national or permanent resident or has purposely migrated on a temporary basis to another in-country region to seek and engage in a remunerated activity.

Worker Analysis								
	Local			Migrant*			Home workers	Total
	Permanent	Temporary	Agency	Permanent	Temporary	Agency		
Worker numbers – Male	29	11	/	/	/	/	/	40
Worker numbers – female	49	26	/	/	/	/	/	75
Total	78	37	/	/	/	/	/	115
Number of Workers interviewed – male	6	3	/	/	/	/	/	9
Number of Workers interviewed – female	11	6	/	/	/	/	/	17
Total – interviewed sample size	17	9	/	/	/	/	/	26



A: Nationality of Management	Serbian	
<p>B: Please list the nationalities of all workers, with the three most common nationalities listed first.</p> <p><i>Please add more nationalities as applicable to site. Add more rows if required.</i></p>	<p>Nationalities:</p> <p>B1: Nationality 1: Serbian</p> <p>B2: Nationality 2: _____</p> <p>B3: Nationality 3: _____</p>	<p>Was the list completed during peak season?</p> <p><input type="checkbox"/> Yes</p> <p><input checked="" type="checkbox"/> No</p> <p>If no, please describe how this may vary during peak periods: it is possible that number of engaged workers will be increased for about 10%</p>
C: Please provide more information for the three most common nationalities.	<p>C: approx % total workforce: Nationality 1- 100%</p> <p>C1: approx % total workforce: Nationality 2 _____</p> <p>C2: approx % total workforce: Nationality 3 _____</p>	
D: Worker remuneration (management information)	<p>D: _____% workers on piece rate</p> <p>D1: _____% hourly paid workers</p> <p>D2: 100 % salaried workers</p> <p>Payment cycle:</p> <p>D3: _____% daily paid</p> <p>D4: _____% weekly paid</p> <p>D5: 100 % monthly paid</p> <p>D6: _____% other</p> <p>D7: If other, please give details</p>	



Worker Interview Summary		
A: Were workers aware of the audit?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	
B: Were workers aware of the code?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	
C: Number of group interviews: <i>(Please specify number and size of groups. Please see SMETA Best Practice Guidance and Measurement Criteria. If the auditor was not able to follow the BPG, please state within the declaration)</i>	Four groups of five employees.	
D: Number of individual interviews <i>(Please see SMETA Best Practice Guidance and Measurement Criteria)</i>	D1: Male: 2	D1: Male: 4
E: All groups of workers are included in the scope of this audit such as; Direct employees, Casual and agency workers, Workers employed by service providers such as security and catering staff as well as workers supplied by other contractors. <i>Note to auditor: please record details of migrant /agency/contractor workers in section 8 – Regular Employment, under Responsible Recruitment</i>	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No If no, please give details	
F: Interviews were done in private and the confidentiality of the interview process was communicated to the workers?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	
G: In general, what was the attitude of the workers towards their workplace?	<input checked="" type="checkbox"/> Favourable <input type="checkbox"/> Non-favourable <input type="checkbox"/> Indifferent	
H: What was the most common worker complaint?	No negative remarks were reported during interviews with workers.	
I: What did the workers like the most about working at this site?	Very good communication in company, very good of approach from management side, very good organization of production process/no overtime even in peak of season.	
J: Any additional comment(s) regarding interviews:	Employees are satisfied with attitude of company owner, organization of processes, internal communication, breaks during working day.	
K: Attitude of workers to hours worked:	Favourable: adequate breaks (three breaks during shift, two of 15 minutes and one of 30 minutes); in case of overtime it is always voluntary and paid as premium rate; five days' work week.	

L. Is there any worker survey information available?

- Yes
- No

L1: If yes, please give details: Analyse of employee satisfaction dated April 2022. (this is requirement of internal procedure which is part of existing ISO 9001 management system).

M: Attitude of workers:

(Include their attitude to management, workplace, and the interview process. Both positive and negative information should be included) Note: Do not document any information that could put workers at risk

Total twenty-six employees are freely selected and interviewed. There were six individual interviews and four group interviews. The interviewed were feel comfortable during the interviews. The employees appeared to be satisfied with the working conditions, treatment and in particular with the regular payment of wages. Their attitude to management and company owner is very good.

N: Attitude of worker's committee/union reps:

(Include their attitude to management, workplace, and the interview process. Both positive and negative information should be included) Note: Do not document any information that could put workers at risk

During audit, conducted interview with worker representative in very open manner. Confirmed good communication with company management.

O: Attitude of managers:

(Include attitude to audit, and audit process. Both positive and negative information should be included)

Company management demonstrated understanding that BV auditor will realize audit including confidential interviews with freely selected workers. Company management has provided support for the realization of audit and the whole time of audit was available to the auditor for all necessary information. All required documents and records were present for review. Provided visit of the whole site in order to create a clear picture of conditions in the workplace.

Audit Results by Clause

0A: Universal Rights covering UNGP

[\(Click here to return to summary of findings\)](#)

0.A. Guidance for Observations

0.A.1 Businesses should have a policy, endorsed at the highest level, covering human rights impacts and issues, and ensure it is communicated to all appropriate parties, including its own suppliers.

0.A.2 Businesses should have a designated person responsible for implementing standards concerning Human rights

0.A.3 Businesses shall identify their stakeholders and salient issues.

0.A.4 Businesses shall measure their direct, indirect, and potential impacts on stakeholders (rights holders) human rights.

0.A.5 Where businesses have an adverse impact on human rights within any of their stakeholders, they shall address these issues and enable effective remediation.

0.A.6 Businesses shall have a transparent system in place for confidentially reporting, and dealing with human rights impacts without fear of reprisals towards the reporter.

Note for auditors and readers. This is not a full Human Rights Assessment, but instead a check on the business's implementation of processes to meet their Universal rights covering UNGP responsibilities.

Current Systems and Evidence Examined

To complete 'current systems' Auditors examine policies and written procedures in conjunction with relevant managers, to understand, and record what controls and processes are currently in place e.g. record what policies are in place, what relevant procedures are carried out, who is /are responsible for the management of this item of the code. Evidence checked should detail any documentary or verbal evidence shown to support the systems.

Current systems:

The company has implemented Code of Conduct which includes human right and social responsibility. Social Policy which includes human rights impact and issues is adopted and communicated within company through intranet and communication boards.

Nominated responsible person for implementing standard concerning human rights.

Company has identified stakeholders and salient issues (checked List of suppliers and other interested parties and evaluation of their impact). There is not any adverse impact found on their stakeholders.

The company has a transparent system in place for confidentially reporting and dealing with human rights impacts through suggestion box for remarks, phone line for reporting of any non-ethical issue and through dedicated e-mail address for communication.

Evidence examined – to support system description (Documents examined & relevant comments. Include renewal/expiry date where appropriate):

Details:

ETI Base code (communicated through communication boards)

Internal Code of Conduct, last revision March 2022

Social policy, issue 1 dated November 2016; revision dated March 2022;

Decision of Nomination of responsible person for personal data protection and human rights protection dated 01.09.2021. (Nominated Mr. Rade Ignjatovic)

List of suppliers and other interested parties and evaluation of their impact dated March 2022

Procedure for internal and external communication, issue A

Interviews with workers

Interviews with management

Any other comments:
None.

<p>A: Policy statement that expresses commitment to respect human rights?</p>	<p><input checked="" type="checkbox"/> Yes <input type="checkbox"/> No A1: Please give details: this is part of adopted Social policy and Code of conduct</p>
<p>B: Does the business have a designated person responsible for implementing standards concerning Human Rights?</p>	<p><input checked="" type="checkbox"/> Yes <input type="checkbox"/> No Please give details: "Decision about nomination of responsible for Code compliance" Name: Rade Ignjatovic Job title: management representative</p>
<p>C: Does the business have a transparent system in place for confidentially reporting, and dealing with human rights impacts without fear of reprisals towards the reporter?</p>	<p><input checked="" type="checkbox"/> Yes <input type="checkbox"/> No C1: Please give details: Installed suggestion boxes, direct communication with director, open door</p>
<p>D: Does the grievance mechanism meet UNGP expectations? (Legitimate, Accessible, Predictable, Equitable, Transparent, Rights-compatible, a source of continuous learning and based on stakeholder engagement)</p>	<p><input checked="" type="checkbox"/> Yes <input type="checkbox"/> No D1: If no, please give details</p>
<p>E: Does the business demonstrate effective data privacy procedures for workers' information, which is implemented?</p>	<p><input checked="" type="checkbox"/> Yes <input type="checkbox"/> No E1: Please give details: GDPR statement is implemented, for all employees maintained personal file.</p>

Findings NONE		
<p>Finding: Observation <input type="checkbox"/></p> <p>Description of observation:</p> <p>Local law or ETI/Additional elements / customer specific requirement:</p> <p>Comments:</p>	<p>Company NC <input type="checkbox"/></p>	<p>Objective evidence observed:</p>

Good examples observed: NONE	
<p>Description of Good Example (GE):</p>	<p>Objective Evidence Observed:</p>

Measuring Workplace Impact

Workplace Impact		
A: Annual worker turnover: Number of workers leaving in last 12 months as a % of average total number of workers on site over the year (annual worker turnover)	A1: Last year (01.01.2021.-31.12.2021.): 15 %	A2: This year (01.01.2022.-30.04.2022.) Below 5 %
B: Current % quarterly (90 days) turnover: Number of workers leaving from the first day of the 90 days period through to the last day of the 90 day period / [(number of employees on the 1 st day of 90 day period + number of employees on the last day of the 90 day period) / 2]	3,5 %	
C: Annual % absenteeism: Number of days lost through job absence in the year / [(number of employees on 1 st day of the year + number employees on the last day of the year) / 2] * number available workdays in the year	C1: Last year (01.01.2021.-31.12.2021.): 3,2 %	C2: This year (01.01.2022.-30.04.2022.): 3,6 %
D: Quarterly (90 days) % absenteeism: Number of days lost through job absence in the period / [(Number of employees on 1 st of the period + Number of employees on the last day of the period) / 2] * Number of available workdays in the month	3,6%	
E: Are accidents recorded?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No E1: Please describe: company use template Register of injuries at work (required by law regulation), during 2021 there are no recorded injuries and during 2022. only one injury recorded (classified as light injury-no lost days)	
F: Annual Number of work related accidents and injuries per 100 workers: [(Number of work related accidents and injuries * 100) / Number of total workers]	F1: Last year (01.01.2021.-31.12.2021.): Number: 0	F2: This year 01.01.2022.-30.04.2022.): Number: 0.87
G: Quarterly (90 days) number of work related accidents and injuries per 100 workers: [(Number of work related accidents and injuries * 100) / Number of total workers]	0.87	
H: Lost day work cases per 100 workers: [(Number of lost days due to work accidents and work related injuries * 100) / Number of total workers]	F1: Last year (01.01.2021.-31.12.2021.): 0	F2: This year 01.01.2022.-30.04.2022.): 0
I: % of workers that work on average more than 48 standard hours / week in the last 6 / 12 months:	I1: 6 months 0 % workers	I2: 12 months 0 % workers

J: % of workers that work on average more than 60 total hours / week in the last 6 / 12 months:	J1: 6 months 0 % workers	J2: 12 months 0 % workers
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0B: Management system and Code Implementation
[\(Click here to return to summary of findings\)](#)

0.B.1 Suppliers are expected to implement and maintain systems for delivering compliance to this Code.
 0.B.2 Suppliers are expected to be operating legally in premises with the correct business licenses and permissions and to have systems to ensure that all relevant land rights have been complied with
 0.B.3 Suppliers shall appoint a senior member of management who shall be responsible for compliance with the Code.
 0.B.4 Suppliers are expected to communicate this Code to all employees.
 0.B.5 Suppliers should communicate this code to their own suppliers and, where reasonably practicable, extend the principles of this Ethical Code through their supply chain.

Current Systems and Evidence Examined

To complete 'current systems' Auditors examine policies and written procedures in conjunction with relevant managers, to understand, and record what controls and processes are currently in place e.g. record what policies are in place, what relevant procedures are carried out, who is/are responsible for the management of this item of the code. Evidence checked should detail any documentary or verbal evidence shown to support the systems.

Current systems:
 The company has implemented Code of conduct as well as Social Policy. Exist implement procedure for control of suppliers. Code of business conduct and Social Policy are communicated to the employees through notice boards. These documents are also part of induction training for all new employees. During interviews was confirmed that workers and familiar with their rights as well as with the code and relevant regulation.
 Nominated manager responsible for compliance with Code and ethical principles, but this no evidences about communication of ethical code to the suppliers.
 Part of induction training for all of employees is Ethical business principles.
 Company has identified stakeholders and salient issues (checked List of suppliers and other interested parties and evaluation of their impact). There is no any adverse impact found on their stakeholders.
 The company has a transparent system in place for confidentially reporting and dealing with human rights impacts through box for remarks and suggestions, phone line or dedicated e mail address.
 Company has procedure for law requirements follow up (checked available List of law regulation, updated April 2022, this list includes law requirements related health and safety at work, environmental protection and labour laws). Company has periodically evaluation of compliance with law regulation, this evaluation is part of regular management review.
 Permit to work and all legal required licences are provided.

Evidence examined – to support system description (Documents examined & relevant comments. Include renewal/expiry date where appropriate):

Details:
 ETI Base code (communicated through communication boards)
 Internal Code of Conduct, last revision March 2022
 Social policy, issue 1 dated November 2016; revision dated March 2022;
 Environmental protection Policy, last revision dated March 2022
 Health and safety at work Policy, last revision dated March 2022
 Food safety Policy, last revision dated March 2022
 "Decision about nomination of responsible for Code compliance" no. 02/2016 dated 03/05/2016 (named Mr. Rade Ignjatovic).
 Employment rulebook, last issue dated 15.05.2018.

Rulebook of organization and work places systematization, dated 17.03.2016
 List of suppliers and other interested parties and evaluation of their impact dated March 2022
 Procedure for internal and external communication, issue A
 Permit to work no. 351-3/13-04 dated 14.03.2013. from Municipality of Ljubovija
 Extract from cadastre no. 952-1/2013-321 dated 20.03.2013. from KO Ljubovija
 Interviews with management
 Interviews with workers

Any other comments:
 None.

Management Systems:	
A: In the last 12 months, has the site been subject to any fines/prosecutions for non-compliance to any regulations?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No A1: Please give details: The auditor checked at the Authorities (including internet sources)
B: Do policies and/or procedures exist that reduce the risk of forced labour, child labour, discrimination, harassment & abuse?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No B1: Please give details: Social Policy, Code of conduct
C: If Yes, is there evidence (an indication) of effective implementation? Please give details.	Part of induction training for every employee is Ethical base code. All suppliers have signed Statement of ethical principles acceptance.
D: Have managers and workers received training in the standards for forced labour, child labour, discrimination, harassment & abuse?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No D1: Please give details: all employees have training related basic principles of socially responsible behaviour. As example, checked Training record dated 24.02.2022.
E: If Yes, is there evidence (an indication) that training has been effective e.g. training records etc.? Please give details	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No E1: Please give details: this is part of first-introduction training for every new employee (e.g. checked training record dated 24.02.2022.), all employees have possibility to report and unethical acts (company has own legal function dedicated to this)
F: Does the site have any internationally recognised system certifications e.g. ISO 9000, 14000, OHSAS 18000, SA8000 (or other social audits). Please detail (Number and date).	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No F1: Please give details: <ul style="list-style-type: none"> - BRC certificate valid until 17.07.2022., certification body TUV SUD - HACCP certificate valid until 17.07.2022., certification body TUV SUD - ISO 9001:2015 certificate valid until 18.06.2023., certification body Bureau Veritas

	<ul style="list-style-type: none"> - Global G.A.P certificate valid until 29.08.2022. certification body TUV Austria - EC certificate valid until 31.05.2022., certification body Ekovivendi - EOS certificate valid until 31.03.2023 certification body Eco Cert - NOP certification body Eco Cert - KOSHER, certificate valid until 10.06.2022. - Bio Suisse certification valid until 31.10.2022., certification body Bio Suisse internacional
<p>G: Is there a Human Resources manager/department? If Yes, please detail.</p>	<p><input checked="" type="checkbox"/> Yes <input type="checkbox"/> No G1: Please give details: in frame of administration department is HR function</p>
<p>H: Is there a senior person / manager responsible for implementation of the code</p>	<p><input checked="" type="checkbox"/> Yes <input type="checkbox"/> No H1: Please give details: Nominated Mr. Rade Ignjatovic, management representative</p>
<p>I: Is there a policy to ensure all worker information is confidential?</p>	<p><input checked="" type="checkbox"/> Yes <input type="checkbox"/> No I1: Please give details: Rulebook about protection of personal data</p>
<p>J: Is there an effective procedure to ensure confidential information is kept confidential?</p>	<p><input checked="" type="checkbox"/> Yes <input type="checkbox"/> No K1: Please give details: Video surveillance 24/7. Existing Risk assessment report includes evaluation of video surveillance system as well as security procedures.</p>
<p>K: Are risk assessments conducted to evaluate policy and procedure effectiveness?</p>	<p><input checked="" type="checkbox"/> Yes <input type="checkbox"/> No B1: Please give details: Code of conduct, issue 1. Risk assessment realized in frame of existing management system, last revision dated March 2022 (as part of inputs for regular management review) and included Code of conduct as well as company Rulebook about organization and systematization.</p>
<p>L: Does the facility have a process to address issues found when conducting risk assessments, including implementation of controls to reduce identified risks?</p>	<p>No violations of these policies were found on the site</p>
<p>M: Does the facility have a policy/code which require labour standards of its own suppliers?</p>	<p><input checked="" type="checkbox"/> Yes <input type="checkbox"/> No D1: Please give details: Statement of ethical principles acceptance</p>

Land rights	
<p>N: Does the site have all required land rights licenses and permissions (see SMETA Measurement Criteria)?</p>	<p><input checked="" type="checkbox"/> Yes <input type="checkbox"/> No N1: Please give details: Permit to work no. 351-3/13-04 dated 14.03.2013. from Municipality of Ljubovija Extract from cadastre no. 952-1/2013-321 dated 20.03.2013. from KO Ljubovija</p>
<p>O: Does the site have systems in place to conduct legal due diligence to recognize and apply national laws and practices relating to land title?</p>	<p><input checked="" type="checkbox"/> Yes <input type="checkbox"/> No O1: Please give details: List of law regulation updated March 2022 and Report about compliance with law regulation and other requirements, dated 24.02.2022.</p>
<p>P: Does the site have a written policy and procedures specific to land rights. If yes, does it include any due diligence the company will undertake to obtain free, prior and informed consent, (FPIC) even if national/local law does not require it</p>	<p><input checked="" type="checkbox"/> Yes <input type="checkbox"/> No P1: If yes, how does the company obtain FPIC: This policy is part of internal rules. Due diligence was conducted as the part of permit to use obtaining, checked Permit to work no. 351-3/13-04 dated 14.03.2013. from Municipality of Ljubovija</p>
<p>Q: Is there evidence that facility / site compensated the owner/lessor for the land prior to the facility being built or expanded.</p>	<p><input checked="" type="checkbox"/> Yes <input type="checkbox"/> No Q1: Please give details: Permit to work no. 351-3/13-04 dated 14.03.2013. from Municipality of Ljubovija Extract from cadastre no. 952-1/2013-321 dated 20.03.2013. from KO Ljubovija</p>
<p>R. Does the facility demonstrate that alternatives to a specific land acquisition were considered to avoid or minimize adverse impacts?</p>	<p><input checked="" type="checkbox"/> Yes <input type="checkbox"/> No R1: Please give details: no need because the local community did not own, occupy, or use the land.</p>
<p>S: Is There any evidence of illegal appropriation of land for facility building or expansion of footprint.</p>	<p><input type="checkbox"/> Yes <input checked="" type="checkbox"/> No S1: Please give details: Permit to work no. 351-3/13-04 dated 14.03.2013. from Municipality of Ljubovija</p>

Non-compliance: None	
<p>1. Description of non-compliance:</p> <p><input type="checkbox"/> NC against ETI/Additional Elements <input type="checkbox"/> NC against Local Law</p> <p><input type="checkbox"/> NC against customer code:</p> <p>Local law and/or ETI requirement:</p> <p>Recommended corrective action:</p>	<p>Objective evidence observed: (where relevant please add photo numbers)</p>

Observation:	
<p>Description of observation: Code of conduct is not communicated to their own suppliers in order to extend the principles of this Ethical Code through their supply chain./Preporuka da se komunicira etički kodeks u sopstvenom lancu snabdevanja, gde je praktično i opravdano, kako bi se afirmisali principi etičkog poslovanja u lancu snabdevanja</p> <p>Local law or ETI requirement: O.B.5 Suppliers should communicate this code to their own suppliers and, where reasonably practicable, extend the principles of this Ethical Code through their supply chain.</p> <p>Comments: Will be established methodology to monitor and evaluate own suppliers against requirements of social standards : will be adopted questionnaire for suppliers and will be sent own Code of conduct and CSR Policy to the suppliers as annex of contract. / Biće uspostavljena metodologija za pracenje performansi društvene odgovornosti i usaglasenosti sa socijalnim standardima za dobavljače kompanije: biće usvojen odgovarajući Upitnik, a etički kodeks i politika društvene odgovornosti će biti dostupni dobavljačima kao dodatak ugovoru..</p>	<p>Objective evidence observed:</p> <p>-Interviews, checking of documents</p>

Good Examples observed: None	
<p>Description of Good Example (GE):</p>	<p>Objective evidence observed:</p>

1: Freely Chosen Employment

[\(Click here to return to summary of findings\)](#)

ETI

1.1 There is no forced, bonded or involuntary prison labour.

1.2 Workers are not required to lodge "deposits" or their identity papers with their employer and are free to leave their employer after reasonable notice.

Current Systems and Evidence Examined

To complete 'current systems' Auditors examine policies and written procedures in conjunction with relevant managers, to understand, and record what controls and processes are currently in place e.g. record what policies are in place, what relevant procedures are carried out, who is/are responsible for the management of this item of the code. Evidence checked should detail any documentary or verbal evidence shown to support the systems.

Current systems:

No any evidence of engagement any forced or bonded labour in company.
 Each employee have signed employment contract. Copies of employment contracts are kept in the workers folder.
 Company demonstrated excellent practice in management with personal folders of employees. The company keeps workers original documents only if required by law.
 Employees may resign with two weeks' notice period. No required deposits for recruitment. No evidence for any deposits.
 Through review of personal files and interviews with workers confirmed all the above.

Evidence examined – to support system description (Documents examined & relevant comments. Include renewal/expiry date where appropriate):

Details:
 Interviews with twenty-six randomly checked workers
 Code of social conduct, last revision March 2022
 Employment rulebook, last issue dated 15.05.2018.
 Rulebook of organization and work places systematization, dated 17.03.2016
 Personal dossiers of employees: DK, DM, MG, MP, PM, DV, SĐ, MJ, PM, NK, VN, MN, SJ, MP, MJ, ZM, MK, RM, LJS, DŽ, AP, RĐ, SD, BJ...
 Employment contracts: temporary employment contract dated 01.03.2022. signed with employee DK; temporary employment contract dated 31.10.2021. signed with employee DM; employee MG, date of permanent employment contract 01.09.2014.; employee PM, permanent employment contract dated 01.09.2014.; employee DV, permanent employment contract dated 01.09.2014.; employee SĐ, permanent employment contract 01.09.2014.; Permanent employment contract dated 01.09.2014. signed with employee MJ; employee MP, permanent employment contract dated 01.06.2016.; employee PM, date of permanent employment contract 01.06.2016.; temporary employment contract dated 01.05.2022., signed with employee NK; employee VN, date of temporary employment contract 01.05.2022.; employee MN, date of temporary employment contract 01.05.2022.; employee SJ, date of temporary employment contract 31.10.2021.: employee MJ, date of temporary contract 01.05.2022.; temporary employment contract dated 01.05.2022. signed with employee ZM; temporary employment contract dated 01.05.2022. signed with employee MK; employee RM, date of temporary employment contract 01.05.2022.; employee LJS, date of temporary employment contract 01.05.2022.; temporary employment contract dated signed with employee DŽ.; employee AP, permanent employment contract dated 01.06.2016.; employee RĐ, date of permanent employment contract 01.06.2016.; employee SD, permanent employment contract dated 01.06.2016.; employee BJ, permanent employment contract dated 01.06.2016., employee MP, permanent employment contract 01.06.2016.

Any other comments:
None.

A: Is there any evidence of retention of original documents, e.g. passports/ID's	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No A1: If yes, please give details and category of workers affected:
B: Is there any evidence of a loan scheme in operation	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No B1: If yes, please give details and category of worker affected:
C: Is there any evidence of retention of wages /deposits	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No C1: If yes, please give details and category of worker affected:
D: Are there any restrictions on workers' freedom to terminate employment?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No D1: Please describe finding: There isn't any restriction on workers' freedom to terminate employment, checked with workers in in documentation
E: If any part of the business is UK based or registered there & has a turnover over £36m, is there a published a 'modern day slavery statement'?	<input type="checkbox"/> Yes <input type="checkbox"/> No <input checked="" type="checkbox"/> Not applicable E1: Please describe finding: N/A
F: Is there evidence of any restrictions on workers' freedoms to leave the site at the end of the work day?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No F1: Please describe finding: There isn't evidence of this, workers are free to leave the site at the end of the work day, checked and confirmed during interviews.
G: Does the site understand the risks of forced / trafficked / bonded labour in its supply chain	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> Not applicable G1: If yes, please give details and category of workers affected: site understand all mentioned and they implement measures to prevent it through the company's internal rules as confirmed during the audit and interview of employees.
H: Is the site taking any steps taking to reduce the risk of forced / trafficked labour?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No H1: Please describe finding: Company Employment rulebook

Non-compliance: None	
1. Description of non-compliance: <input type="checkbox"/> NC against ETI <input type="checkbox"/> NC against Local Law: <input type="checkbox"/> NC against customer code:	Objective evidence observed: (where relevant please add photo numbers)

Observation: None	
Description of observation: Local law or ETI requirement: Comments:	Objective evidence observed:

Good Examples observed: None	
Description of Good Example (GE):	Objective evidence observed:

2: Freedom of Association and Right to Collective Bargaining are Respected

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ETI

2.1 Workers, without distinction, have the right to join or form trade unions of their own choosing and to bargain collectively.
 2.2 The employer adopts an open attitude towards the activities of trade unions and their organisational activities.
 2.3 Workers' representatives are not discriminated against and have access to carry out their representative functions in the workplace.
 2.4 Where the right to freedom of association and collective bargaining is restricted under law, the employer facilitates, and does not hinder, the development of parallel means for independent and free association and bargaining.

Current Systems and Evidence Examined

To complete 'current systems' Auditors examine policies and written procedures in conjunction with relevant managers, to understand, and record what controls and processes are currently in place e.g. record what policies are in place, what relevant procedures are carried out, who is/are responsible for the management of this item of the code. Evidence checked should detail any documentary or verbal evidence shown to support the systems.

Current systems:

The workers have the right to joint workers unions.
 It is not mandatory by law to be a member of a trade union.
 Exist function of worker representative in company. Confirmed that no any restriction in worker representative activities-they have office space and enough time (during working shifts) for consultation with workers.

Evidence examined – to support system description (Documents examined & relevant comments. Include renewal/expiry date where appropriate):

Details:
 Employment rulebook
 Interviews with management
 Interview with worker representatives
 Workers interviews

Any other comments:
 None.

<p>A: What form of worker representation/union is there on site?</p>	<p><input type="checkbox"/> Union (name) <input type="checkbox"/> Worker Committee <input checked="" type="checkbox"/> Other (specify) worker representative <input type="checkbox"/> None</p>
<p>B: Is it a legal requirement to have a union?</p>	<p><input type="checkbox"/> Yes <input checked="" type="checkbox"/> No</p>
<p>C: Is it a legal requirement to have a worker's committee?</p>	<p><input type="checkbox"/> Yes <input checked="" type="checkbox"/> No</p>

<p>D: Is there any other form of effective worker/management communication channel? (Other than union/worker committee e.g. H&S, sexual harassment)</p>	<p><input checked="" type="checkbox"/> Yes <input type="checkbox"/> No D1: Please give details: open door policy</p> <p>D2: Is there evidence of free elections? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No</p>	
<p>E: Does the supplier provide adequate facilities to allow the Union or committee to conduct related business?</p>	<p><input checked="" type="checkbox"/> Yes <input type="checkbox"/> No E1: Please give details: worker representatives have office intended to their activities including periodical meetings with workers.</p>	
<p>F: Name of union and union representative, if applicable:</p>	<p>N/A</p>	<p>F1: Is there evidence of free elections? <input type="checkbox"/> Yes <input type="checkbox"/> No <input checked="" type="checkbox"/> N/A</p>
<p>G: If there is no union, is there a parallel means of consultation with workers e.g. worker committees?</p>	<p>Worker representative</p>	<p>G1: Is there evidence of free elections? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A</p>
<p>H: Are all workers aware of who their representatives are?</p>	<p><input checked="" type="checkbox"/> Yes <input type="checkbox"/> No</p>	
<p>I: Were worker representatives freely elected?</p>	<p><input checked="" type="checkbox"/> Yes <input type="checkbox"/> No</p>	<p>I1: Date of last election: 01.03.2020.</p>
<p>J: Do workers know what topics can be raised with their representatives?</p>	<p><input checked="" type="checkbox"/> Yes <input type="checkbox"/> No</p>	
<p>K: Were worker representatives/union representatives interviewed?</p>	<p><input checked="" type="checkbox"/> Yes <input type="checkbox"/> No If Yes, please state how many: interviewed on worker representative-Sonja Cvetić</p>	
<p>L: Please describe any evidence that union/worker's committee is effective? Specify date of last meeting; topics covered; how minutes were communicated etc.</p>	<p>Confirmed during interviews. Checked "Minutes of meeting" dated 16.03.2022. (present management representatives Rade Ignjatovic and Zivorad as well as worker representatives Pavlovic, Danijela Vesic, Branko Nikolic; themes: suggestions and appeals of workers, personal protective equipment and other open questios)</p>	
<p>M: Are any workers covered by Collective Bargaining Agreement (CBA)?</p>	<p><input type="checkbox"/> Yes <input checked="" type="checkbox"/> No</p>	
<p>If Yes, what percentage by trade Union/worker representation</p>	<p>M1: <u> 0 </u>% workers covered by Union CBA</p>	<p>M1: <u> 0 </u>% workers covered by Union CBA</p>
<p>M3: If Yes, does the Collective Bargaining Agreement (CBA) include rates of pay?</p>	<p><input type="checkbox"/> Yes <input type="checkbox"/> No n/a</p>	

Non-compliance: None	
<p>1. Description of non-compliance: <input type="checkbox"/> NC against ETI <input type="checkbox"/> NC against Local Law <input type="checkbox"/> NC against customer code:</p> <p>Local law and/or ETI requirement:</p> <p>Recommended corrective action:</p>	<p>Objective evidence observed: <i>(where relevant please add photo numbers)</i></p>

Observation: None	
<p>Description of observation:</p> <p>Local law or ETI requirement:</p> <p>Comments:</p>	<p>Objective evidence observed:</p>

Good Examples observed: None	
<p>Description of Good Example (GE):</p>	<p>Objective evidence observed:</p>

3: Working Conditions are Safe and Hygienic

[\(Click here to return to summary of findings\)](#)

[\(Click here to return to Key Information\)](#)

ETI

- 3.1 A safe and hygienic working environment shall be provided, bearing in mind the prevailing knowledge of the industry and of any specific hazards. Adequate steps shall be taken to prevent accidents and injury to health arising out of, associated with, or occurring in the course of work, by minimising, so far as is reasonably practicable, the causes of hazards inherent in the working environment.
- 3.2 Workers shall receive regular and recorded Health & Safety training, and such training shall be repeated for new or reassigned workers.
- 3.3 Access to clean toilet facilities and to potable water, and, if appropriate, sanitary facilities for food storage shall be provided.
- 3.4 Accommodation, where provided, shall be clean, safe, and meet the basic needs of the workers.
- 3.5 The company observing the code shall assign responsibility for Health & Safety to a senior management representative.

Current Systems and Evidence Examined

To complete 'current systems' Auditors examine policies and written procedures in conjunction with relevant managers, to understand, and record what controls and processes are currently in place e.g. record what policies are in place, what relevant procedures are carried out, who is/are responsible for the management of this item of the code. Evidence checked should detail any documentary or verbal evidence shown to support the systems.

Current systems:

Management is aware regarding safety and health at work. Working conditions are good – clean, tidy and properly marked. The noise, lighting, temperature and ventilation seem proper for good working conditions. The maintenance of infrastructure equipment is done periodically and all were found valid at the time of assessment. During site tour, it was noted that: the company posted the evacuation plans on work floors, which indicated escape routes and the location of the fire extinguishers; the company maintained a comfortable working conditions; all switches in the electrical control panels have been labelled; the electrical system was in a good condition; sufficient first aid kits stocked with necessary supplies are provided in workshops; PPE were provided to workers; drinkable water was available; exit signs and emergency lights were installed.

During site tour found follow NC's:

One fork lift with key left inside NC1

There is no eye wash station and suitable absorbent in the battery charger room NC2

Insufficiently safe storage of chemicals NC3

Risk assessment on work places performed in accordance with law requirements. Risk assessment for all work places found that there exists one work place with higher risk, as per used methodology for hazard and risk identification and evaluation. Personal protective equipment was provided to all the employees according to the risk assessment of each position. All employees received work clothing with the company logo. All the containers of chemical materials are stored properly and labelled. Moreover, the Material Safety Data Sheets are available near the place where chemical substances are stored or utilized being posted on each chemical container with appropriate work instruction for reaction in case of emergency.

The eating area kept clean and are provided with all necessary equipment and conditions. Toilets are segregated by gender and appeared in good conditions. All the necessary supplies are provided including toilet seats, toilet paper, soap and towels.

All employees are trained for fire protection and health and safety at work, in accordance with law regulation. Production equipment, fire protection equipment, micro climate conditions checked periodically and were found that no any negative findings in reports from authorized organization.

Evidence examined – to support system description (Documents examined & relevant comments. Include renewal/expiry date where appropriate):

Details:

“Risk assessment for work places“ , dated 01/06/2018 last update 20.12.2019 done in cooperation with external authorized company Demag; checked “Risk assessment for work place fork lift operator” dated June 2018. Employees on work places with higher risk have regular medical examination.

Training in fire protection, performed 14/10/2021 for all employees. Record of completed training of employees regarding fire protection dated 14/10/2021

Training program in area of fire protection dated 1/10/2021

Fire protection rulebook, dated August 2016

Contract with external provider for fire protection with company Zare 021 , dated 11.05.2018.

Contract with authorized organization DVD Ljubovija for periodical testing of firefighting equipment, dated 12.05.2016.

Checked “Evidence of used PPE for workers in production” dated February 2019 (e.g. employee GM, date

of PPE receipt 07.02.2019., employee SP dated 02.08.2018.)

Reports about individual HS training in accordance with risk assessment, checked: „Record about individual

Company has practice in periodical organization of evacuation drill, for example checked Report of last evacuation drill in cold store Donja Ljuboviđa, dated 17.05.2022.

Evacuation plan cold store Donja Ljuboviđa,

Report of periodical control of fire extinguishers set” no. 20-01/22 dated 28/01/2022 from external authorized company DVD Ljubovija;

“Report of periodical control of fire hydrant set” no. 10-05/22lj dated 24.05.2022. from Pozar Gas

“Report about micro climate conditions control in summer period“ no. 01-235/VA-5 dated 03.07.2019. from external authorized company Institut za bezbednost i preventivni inženjering

Expert finding on the performed examination of the working environment conditions Physical hazards - noise no. 01-235/VA-5 dated 03.07.2019. from external authorized company Institut za bezbednost i preventivni inženjering

Register of injuries at work, updated January 2022

Any other comments:

None.

A: Does the facility have general and occupational Health & Safety policies and procedures that are fit for purpose and are these communicated to workers?

Yes
 No

A1: Please give details: Exist “Health and safety Rulebook” and “Fire protection Rulebook”.

B: Are the policies included in workers' manuals?

Yes
 No

	B1: Please give details: checked adopted "Health and safety Rulebook" and "Fire protection Rulebook". These documents are permanently available to the employees
C: Are there any structural additions without required permits/inspections (e.g. floors added)?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No C1: Please give details: no any structural additions.
D: Are visitors to the site informed on H&S and provided with personal protective equipment	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No D1: Please give details: visitors in the organisation are always accompanied, so they cannot walk around production or other rooms alone. Before site visit all visitors need to pass internal training and sign adequate confirmation about introduction with company rules.
E: Is a medical room or medical facility provided for workers? If yes, do the room(s) meet legal requirements and is the size/number of rooms suitable for the number of workers.	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No E1: Please give details: no dedicated medical room (it is not required by law regulation), company has installed first aid boxes and trained staff in order to assure presence of first aiders on all buildings.
F: Is there a doctor or nurse on site or there is easy access to first aider/ trained medical aid?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No F1: Please give details: 11 employees are trained for first aid
G: Where the facility provides worker transport - is it fit for purpose, safe, maintained and operated by competent persons e.g. buses and other vehicles?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No G1: Please give details: company has two bus for transport of workers. Buses are periodically checked (twice per year) in accordance with law regulation Exist contract for technical maintenance of buses. Only licenced drivers are nominated for driving
H: Is secure personal storage space provided for workers in their living space and is fit for purpose?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No H1: Please give details: adequate storage spaces are observed during site visit.
I: Are H&S Risk assessments are conducted (including evaluating the arrangements for workers doing overtime e.g. driving after a long shift) and are there controls to reduce identified risk?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No I1: Please give details: part of risk analyses is analyses of overtime engagement. Company has implemented many measures in order to prevent overtime. It has result that in last two years no any evidence of using overtime over defined law limits (confirmed through interviews and through review of documents and time records)
J: Is the site meeting its legal obligations on environmental requirements including required permits for use and disposal of natural resources?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No J1: Please give details: checked adequate Permit to use from Municipality of Ljubovija
K: Is the site meeting its customer requirements on environmental standards, including the use of banned chemicals?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No K1: Please give details: all chemicals has safety data sheets on Serbian. Employees are trained for handling of chemicals. All individual producers of fruit also trained in using of chemicals which are used for fruit protection

Non-compliance:	
<p>1. Description of non-compliance: <input checked="" type="checkbox"/> NC against ETI <input type="checkbox"/> NC against Local Law <input type="checkbox"/> NC against customer code: Key left in forklift/ <i>Ostavljen ključ u viljuskaru</i></p> <p>Local law and/or ETI requirement ETI 3.1 A safe and hygienic working environment shall be provided, bearing in mind the prevailing knowledge of the industry and of any specific hazards.</p> <p>Recommended corrective action: Perform relevant training for employees/ <i>Izvršiti odgovarajuću obuku za zaposlene.</i></p> <p>2. Description of non-compliance: <input checked="" type="checkbox"/> NC against ETI <input type="checkbox"/> NC against Local Law <input type="checkbox"/> NC against customer code: There is no eye wash station and suitable absorbent in the battery charger room/ <i>U punionici baterija ne postoji sredstvo za ispiranje očiju kao ni odgovarajući apsorbent</i></p> <p>Local law and/or ETI requirement: ETI 3.1 A safe and hygienic working environment shall be provided, bearing in mind the prevailing knowledge of the industry and of any specific hazards.</p> <p>Recommended corrective action: Provide eye wash station and suitable absorbent in the battery charger room/ <i>Obezbediti sredstvo za ispiranje očiju i odgovarajući apsorbent</i></p> <p>3. Description of non-compliance: <input checked="" type="checkbox"/> NC against ETI/Additional Elements <input type="checkbox"/> NC against Local <input type="checkbox"/> NC against customer code: Receiving tanks under the package with chemicals (in storage of chemicals for cleaning) do not have enough capacity/ <i>Tankvane ispod hemikalija u skladištu hemikalija za čišćenje nisu dovoljno kapaciteta</i></p> <p>Local law and/or ETI/Additional Elements requirement: ETI 3.1 A safe and hygienic working environment shall be provided, bearing in mind the prevailing knowledge of the industry and of any specific hazards.</p> <p>Recommended corrective action: Replace existing tanks with adequate / <i>Zameniti postojeće tankvane sa tankvane</i></p>	<p>Objective evidence observed: <i>(where relevant please add photo numbers)</i></p> <p>-site visit</p> <p>-site visit</p> <p>-site visit</p>

Observation: None	
Description of observation:	Objective evidence observed:

<p>Local law or ETI requirement:</p> <p>Recommended corrective action:</p>	
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<p>Good Examples observed: None</p>	
<p>Description of Good Example (GE):</p>	<p>Objective Evidence Observed:</p>

4: Child Labour Shall Not Be Used

[\(Click here to return to summary of findings\)](#)

[\(Click here to return to Key Information\)](#)

ETI

- 4.1 There shall be no new recruitment of child labour.
- 4.2 Companies shall develop or participate in and contribute to policies and programmes which provide for the transition of any child found to be performing child labour to enable her or him to attend and remain in quality education until no longer a child.
- 4.3 Children and young persons under 18 shall not be employed at night or in hazardous conditions.
- 4.4 These policies and procedures shall conform to the provisions of the relevant ILO Standards.

Current Systems and Evidence Examined

To complete 'current systems' Auditors examine policies and written procedures in conjunction with relevant managers, to understand, and record what controls and processes are currently in place e.g. record what policies are in place, what relevant procedures are carried out, who is/are responsible for the management of this item of the code. Evidence checked should detail any documentary or verbal evidence shown to support the systems.

Current systems:

There is no child labour in the company.
 Through internal rules it is clear declared that the management is to hire personnel above 18 years of age.
 During work interviews for hiring new people and prior to contract signing legal identification documents are checked for birth date.
 Each worker's file contained official confirmation of employment issued by local authorities that contain the citizen personal identification number.
 Personal files contained a copy of diploma which also lists the birth.
 In addition, there were no inconsistencies between age and hire dates reported and recorded on official records in the files.

Evidence examined – to support system description (Documents examined & relevant comments. Include renewal/expiry date where appropriate):

- Details:
- Corporate social responsibility policy
 - Employment rulebook
 - List of employees
 - Personal files of ten employees
 - Employment contracts of ten employees
 - Interviews

Any other comments:
 None.

A: Legal age of employment:	15
B: Age of youngest worker found:	24
C: Are there children present on the work floor but not working at the time of audit?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No

D: % of under 18's at this site (of total workers)	0 %
E: Are workers under 18 subject to hazardous work assignments? (Go to clause 3 – Health and Safety)	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No E1: If yes, give details

Non-compliance: None	
1. Description of non-compliance: <input type="checkbox"/> NC against ETI <input type="checkbox"/> NC against Local Law <input type="checkbox"/> NC against customer code: Local law and/or ETI requirement: Recommended corrective action:	Objective evidence observed: (where relevant please add photo numbers)

Observation: None	
Description of observation: Local law or ETI requirement: Comments:	Objective evidence observed:

Good Examples observed: None	
Description of Good Example (GE):	Objective Evidence Observed:

5: Living Wages are Paid

[\(Click here to return to summary of findings\)](#)

[\(Click here to return to Key information\)](#)

ETI

5.1 Wages and benefits paid for a standard working week meet, at a minimum, national legal standards or industry benchmark standards, whichever is higher. In any event wages should always be enough to meet basic needs and to provide some discretionary income.

5.2 All workers shall be provided with written and understandable information about their employment conditions in respect to wages before they enter employment and about the particulars of their wages for the pay period concerned each time that they are paid.

5.3 Deductions from wages as a disciplinary measure shall not be permitted nor shall any deductions from wages not provided for by national law be permitted without the expressed permission of the worker concerned. All disciplinary measures should be recorded.

Current Systems and Evidence Examined

To complete 'current systems' Auditors examine policies and written procedures in conjunction with relevant managers, to understand, and record what controls and processes are currently in place e.g. record what policies are in place, what relevant procedures are carried out, who is/are responsible for the management of this item of the code. Evidence checked should detail any documentary or verbal evidence shown to support the systems.

Current systems:

Payment condition defined in company Employment rulebook, also in employment contracts of each employee.

Men and women are paid equally for one and the same position. All workers are paid above minimal wage.

Payment is monthly and clear payslips are given to each employee. The payment of salaries is regular, within the 1st of each following month.

Payslips are complete and included regular and overtime wages and hours, food and transportation.

Taxes that are paid from the company - pension contribution, health insurance unemployment, insurance contribution, parenthood insurance, Injury insurance fees.

No disciplinary measures were found.

Evidence examined – to support system description (Documents examined & relevant comments. Include renewal/expiry date where appropriate):

Details:

Employment rulebook

Personal files

Employment contracts

Payslips for twenty six workers for three different months: April 2022 (current), January 2022 (random), July 2021 (peak of season)

Register of working hours for three different months: April 2022 (current), January 2022 (random), July 2021 (peak of season)

Interviews

Any other comments:

None.

Non-compliance: None	
1. Description of non-compliance: <input type="checkbox"/> NC against ETI <input type="checkbox"/> NC against Local Law <input type="checkbox"/> NC against customer code: Local law and/or ETI requirement: Recommended corrective action:	Objective evidence observed: <i>(where relevant please add photo numbers)</i>

Observation: None	
Description of observation: Local law or ETI requirement: Comments:	Objective evidence observed:

Good Examples observed: None	
Description of Good Example (GE):	Objective Evidence Observed:

Summary Information

Criteria	Local Law <i>(Please state legal requirement)</i>	Actual at the Site <i>(Record site results against the law)</i>	Is this part of a Collective Bargaining Agreement?
A: Standard/Contracted work hours: <i>(Maximum legal and actual required working hours excluding overtime, please state if possible per day, week, and month)</i>	Legal maximum: 8h/day, 40h/week, 176h/month	A1: 8h/day, 40h/week, 176h/month	A2: <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
B: Overtime hours: <i>(Maximum legal and actual overtime hours, please state if possible per day, week, and month)</i>	Legal maximum: 4 hours per day, 8 hours per week, 32 hours per month	B1: 2 hours per day, 8 hours per week, 16 hours per month	B2: <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
C: Wage for standard/contracted hours: <i>(Minimum legal and actual minimum wage at site, please state if possible per hr, day, week, and month)</i>	Legal maximum: 8h/day, 40h/week, 176h/month	A1: 8h/day, 40h/week, 176h/month	A2: <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No

D: Overtime wage: (Minimum legal and actual minimum overtime wage at site, please state if possible per hr, day, week, and month)	Legal minimum: 201,22 RSD/h	C1: 221 RSD/h	C2: <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
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Wages analysis: (Click here to return to Key Information)			
A: Were accurate records shown at the first request?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No		
A1: If No , why not?	N/A		
B: Sample Size Checked (State number of worker records checked and from which weeks/months – should be current, peak, and random/low. Please see SMETA Best Practice Guidance and Measurement Criteria)	26 records for July 2021 (peak) 26 records for January 2022 (random) 26 records for April 2022 (current)		
C: Are there different legal minimum wage grades? If Yes , please specify all.	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	C1: If No , please give details: N/A	
D: If there are different legal minimum grades, are all workers graded and paid correctly?	<input type="checkbox"/> Yes <input type="checkbox"/> No <input checked="" type="checkbox"/> N/A	D1: If No , please give details: N/A	
E: For the lowest paid production workers, are wages paid for standard/contracted hours (excluding overtime) below or above the legal minimum?	<input type="checkbox"/> Below legal min <input type="checkbox"/> Meet <input checked="" type="checkbox"/> Above	E1: Lowest actual wages found: <i>Note: full time employees and please state hour / week / month etc.</i> 221 RSD/h 8,840 RSD/week 38,896 RSD/month	
F: Please indicate the breakdown of workforce per earnings:	F1: ___% of workforce earning under minimum wage F2: ___% of workforce earning minimum wage F3: _100___% of workforce earning above minimum wage		
G: Bonus Scheme found: Please specify details:	Bonus Scheme found: <i>Note: type of employee (e.g. full time, temp, etc.) and please state which units e.g. /hour /week /month etc.</i> All workers received as a bonus free transportation allowance		
H: What deductions are required by law e.g. social insurance? Please state all types:	Social assurance, health assurance and unemployment		
I: Have these deductions been made?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	I1: Please list all deductions that have been made.	1. social assurance 2. health assurance 3. Unemployment Please describe: according to the law

		I2: Please list all deductions that have not been made.	1. 2. Please describe: N/A
J: Were appropriate records available to verify hours of work and wages?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No		
K: Were any inconsistencies found? (if yes describe nature)	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	K1: Type <input type="checkbox"/> Poor record keeping <input type="checkbox"/> Isolated incident <input type="checkbox"/> Repeated occurrence:	
L: Do records reflect all time worked? (For instance, are workers asked to attend meetings before or after work but not paid for their time)	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No L1: Please give details: Record reflect all time worked		
M: Is there a defined living wage: <i>This is <u>not normally</u> minimum legal wage. If answered yes, please state amount and source of info: Please see SMETA Best Practice Guidance and Measurement Criteria.</i>	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No M1: Please specify amount/time: N/A		
M2: If yes, what was the calculation method used.	<input type="checkbox"/> ISEAL/Anker Benchmarks <input type="checkbox"/> Asia Floor Wage <input type="checkbox"/> Figures provided by Unions <input type="checkbox"/> Living Wage Foundation UK <input type="checkbox"/> Fair Wear Wage Ladder <input type="checkbox"/> Fairtrade Foundation Other – please give details: N/A		
N: Are there periodic reviews of wages? If Yes give details (include whether there is consideration to basic needs of workers plus discretionary income).	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No N1: Please give details: As minimum once a year, considering local law regulation related minimum wage		
O: Are workers paid in a timely manner in line with local law?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No		
P: Is there evidence that equal rates are being paid for equal work:	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No P1: Please give details: checked by reviewing payslips, contracts and with interviewed employees		
Q: How are workers paid:	<input type="checkbox"/> Cash <input type="checkbox"/> Cheque <input checked="" type="checkbox"/> Bank Transfer <input type="checkbox"/> Other Q1: If other, please explain:		

6: Working Hours are not Excessive

[\(Click here to return to summary of findings\)](#)

[\(Click here to return to Key Information\)](#)

ETI

6.1 Working hours must comply with national laws, collective agreements, and the provisions of 6.2 to 6.6 below, whichever affords the greater protection for workers. Sub-clauses 6.2 to 6.6 are based on international labour standards.

6.2 Working hours, excluding overtime, shall be defined by contract, and shall not exceed 48 hours per week.

6.3 All overtime shall be voluntary. Overtime shall be used responsibly, taking into account all the following: the extent, frequency and hours worked by individual workers and the workforce as a whole. It shall not be used to replace regular employment. Overtime shall always be compensated at a premium rate, which is recommended to be not less than 125% of the regular rate of pay.

6.4 The total hours worked in any 7-day period shall not exceed 60 hours, except where covered by clause 6.5 below.

6.5 Working hours may exceed 60 hours in any 7-day period only in exceptional circumstances where **all** of the following are met:

- this is allowed by national law;
- this is allowed by a collective agreement freely negotiated with a workers' organisation representing a significant portion of the workforce;
- appropriate safeguards are taken to protect the workers' health and safety; and
- The employer can demonstrate that exceptional circumstances apply such as unexpected production peaks, accidents or emergencies.

6.6 Workers shall be provided with at least one day off in every 7-day period or, where allowed by national law, 2 days off in every 14-day period.

Current Systems and Evidence Examined

To complete 'current systems' Auditors examine policies and written procedures in conjunction with relevant managers, to understand, and record what controls and processes are currently in place e.g. record what policies are in place, what relevant procedures are carried out, who is/are responsible for the management of this item of the code. Evidence checked should detail any documentary or verbal evidence shown to support the systems.

Current systems:

The site operates in two shifts, from 06 to 14pm and from 14pm and 22pm.

The company has carnets system for registration of working hours.

Adequate evidence for three different months for compliance with working time requirements were presented (26 records for April 2022, January 2022 and July 2021-peak of season).

All of the above was confirmed by the workers during the interviews.

The company has adequate management system that ensures compliance with law regulation (overtime is very rare in practice), all contracts are based on 40 hours per week, in case of overtime it is always voluntary and paid as premium. Adequate breaks are assured during working shifts (one break of 30 minutes and two additionally breaks of 15 minutes), weekly rest day is quarantined, annual leave is defined in Employment rulebook. Conducted risk assessment for all work places which includes measures related organization of working shifts in order to prevent fatigue.

Evidence examined – to support system description (Documents examined & relevant comments. Include renewal/expiry date where appropriate):

Details:
 Payroll records (ten workers for three different months: April 2022, January 2022, July 2021)
 Interviews
 Time records for three months for ten workers.
 Employment rulebook
 Employment contracts

Any other comments:
 None.

Non-compliance: None	
<p>1. Description of non-compliance: <input type="checkbox"/> NC against ETI <input type="checkbox"/> NC against Local Law <input type="checkbox"/> NC against customer code:</p> <p>Local law and/or ETI requirement:</p> <p>Recommended corrective action:</p>	<p>Objective evidence observed: <i>(where relevant please add photo numbers)</i></p>

Observation: None	
<p>Description of observation:</p> <p>Local law or ETI requirement:</p> <p>Comments:</p>	<p>Objective evidence observed:</p>

<p>Good Examples observed: None</p>
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Description of Good Example (GE):	Objective Evidence Observed:
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Working hours' analysis Please include time e.g. hour/week/month <i>(Go back to Key information)</i>															
Systems & Processes															
A. What timekeeping systems are used: time card etc.	Describe: <i>carnets (manual system for working hours registration)</i>														
B: Is sample size same as in wages section?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No B1: If no, please give details														
C: Are standard/contracted working hours defined in all contracts/employment agreements?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	C1: If NO, please give details including % and which type of workers do NOT have standard hours defined in contracts/employment agreements. Please give details: <i>n/a</i>													
D: Are there any other types of contracts/employment agreements used?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	D1: If YES, please complete as appropriate: <table style="width: 100%; border-collapse: collapse;"> <tr> <td style="border: 1px solid black; padding: 2px;"><input type="checkbox"/> 0 hrs</td> <td style="border: 1px solid black; padding: 2px;"><input type="checkbox"/> Part time</td> <td style="border: 1px solid black; padding: 2px;"><input type="checkbox"/> Variable hrs</td> <td style="border: 1px solid black; padding: 2px;"><input type="checkbox"/> Other</td> </tr> <tr> <td colspan="4" style="padding: 2px;">If "Other", Please define:</td> </tr> <tr> <td colspan="4" style="padding: 2px;">N/A</td> </tr> </table>		<input type="checkbox"/> 0 hrs	<input type="checkbox"/> Part time	<input type="checkbox"/> Variable hrs	<input type="checkbox"/> Other	If "Other", Please define:				N/A			
<input type="checkbox"/> 0 hrs	<input type="checkbox"/> Part time	<input type="checkbox"/> Variable hrs	<input type="checkbox"/> Other												
If "Other", Please define:															
N/A															
E. Do any standard/contracted working hours defined in contracts/employment agreements exceed 48 hours per week?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	E1: If yes , please detail hours, %, types of workers affected and frequency Please give details: <i>N/A</i>													
F: Are workers provided with at least 1 day off in every 7-day-period, or 2 in 14-day-period?	F2: Please select all applicable: <input checked="" type="checkbox"/> 1 in 7 days <input type="checkbox"/> 2 in 14 days <input type="checkbox"/> No If 'No', please explain:	F3: Is this allowed by local law? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No													

		Maximum number of days worked without a day off (in sample):
		6
Standard/Contracted Hours worked		
G: Were standard working hours over 48 hours per week found?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	G1: If yes, % of workers & frequency: N/A
H: Any local waivers/local law or permissions which allow averaging/annualised hours for this site?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	H1: If yes, please give details: N/A
Overtime Hours worked		
I: Actual overtime hours worked in sample (State per day/week/month)	Highest OT hours / day/ week/ month: No OT found for April 2022 and January 2022 per day, maximum number of OT hours in July 2021 was 16 hours on monthly level April 2022: 0 OT hours per day, 8 OT hours per week (it is recorded as an additional worked day during week-Sunday), 16 OT hours per month January 2022: 0 OT hours per day, 8 OT hours per week (it is recorded as an additional worked day during week-Sunday), 8 OT hours per month July 2021: 2 OT hours per day, 8 OT hours per week (it is recorded as an additional worked day during week-Sunday), 16 OT hours per month	
J: Combined hours (standard or contracted + overtime hours = total) over 60 found? Please give details:	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	
K: Approximate percentage of total workers on highest overtime hours:	_10_%	
L: Is overtime voluntary?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> Conflicting Information	L1: Please detail evidence e.g. Wording of contract / employment agreement / handbook / worker interviews / refusal arrangements: It was confirmed during interviews with workers as well as during interview with worker representative. Also, checked contracts and Employment rulebook where is stated that overtime is always voluntary.
Overtime Premiums		

<p>M: Are the correct legal overtime premiums paid?</p>	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A – there is no legal requirement to OT premium	<p>M1: Please give details of normal day overtime premium as a % of standard wages: 126%</p>
<p>N: Is overtime paid at a premium?</p>	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	<p>N1: If yes, please describe % of workers & frequency: it is clearly defined in company rules and employment contracts. Over rate is 126% (which is in line with law requirement), over time is very rare (maximum number of overtime hours was 16 hours on monthly level for 10% of workers). Over time bonus is paid on monthly basis for OT hours earned in last month (all employees who had OT recorded received OT bonus on monthly level)</p>
<p>O: If the site pays less than 125% OT premium and this is allowed under local law, are there other considerations? Please complete the boxes where relevant.</p>	<input type="checkbox"/> No <input type="checkbox"/> Consolidated pay (May be standard wages above minimum legal wage, with no/low overtime premium) <input type="checkbox"/> Collective Bargaining agreements <input type="checkbox"/> Other N/A	<p>O1: Please explain any checked boxes above e.g. detail of consolidated pay / CBA or Other</p>
<p>N/A</p>	<p>N/A</p>	
<p>P: If more than 60 total hours per week and this is legally allowed, are there other considerations? Please complete the boxes where relevant.</p>	<input type="checkbox"/> Overtime is voluntary <input type="checkbox"/> Onsite Collective bargaining allows 60+ hours/week <input type="checkbox"/> Safeguards are in place to protect worker's health and safety <input type="checkbox"/> Site can demonstrate exceptional circumstances <input type="checkbox"/> Other reasons (please specify)	<p>P1: Please explain any checked boxes above e.g. detail of consolidated pay / CBA or other:</p>
<p>N/A</p>	<p>N/A</p>	
<p>Q: Is there evidence that overtime hours are being used for extended periods to make up for labour shortages or increased order volumes?</p>	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No Q1: If yes, please give details: N/A	
<p>R: If sufficient workers cannot be hired, are new working time</p>	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	

arrangements explored to ensure that overtime is the exception rather than the rule.	
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7: No Discrimination is Practiced

[\(Click here to return to summary of findings\)](#)

ETI

7.1 There is no discrimination in hiring, compensation, access to training, promotion, termination or retirement based on race, caste, national origin, religion, age, disability, gender, marital status, sexual orientation, union membership or political affiliation.

Current Systems and Evidence Examined

To complete 'current systems' Auditors examine policies and written procedures in conjunction with relevant managers, to understand, and record what controls and processes are currently in place e.g. record what policies are in place, what relevant procedures are carried out, who is/are responsible for the management of this item of the code. Evidence checked should detail any documentary or verbal evidence shown to support the systems.

Current systems:

No discrimination policy is part of Employment rulebook.
 All workers are treated equally.
 Nothing has been identified or reported by interviewed workers as harsh or inhumane treatment.
 The workers didn't report any cases of harsh or inhumane treatment on behalf of the management.
 Workers confirmed there in no discrimination in hiring, compensation, access to training, promotion, termination or retirement.

Evidence examined – to support system description (Documents examined & relevant comments. Include renewal/expiry date where appropriate):

Details:

- Code of conduct code
- Internal social Policy
- Employment rulebook
- Personal files
- Interviews

Any other comments:

None.

A: Gender breakdown of Management + Supervisors (Include as one combined group)	A1: Male: 66 % A2: Female 33 %
B: Number of women who are in skilled or technical roles e.g. where specific qualifications are needed i.e. machine engineer / laboratory analyst:	Two (Financial coordinator, chief of administration department)
C: Is there any evidence of discrimination based on race, caste, national origin, religion, age, disability,	<input type="checkbox"/> Hiring <input type="checkbox"/> Compensation <input type="checkbox"/> Access to training <input type="checkbox"/> Promotion

gender, marital status, sexual orientation, union membership or political affiliation?:	<input type="checkbox"/> Termination or retirement <input checked="" type="checkbox"/> No evidence of discrimination found C1: Please give details: n/a No evidence of discrimination found
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Professional Development

A: What type of training and development are available for workers?	Health and safety, fire protection, getting to know the company (general company information plus company policies)
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B: Are HR decisions e.g. promotion, training, compensation based on objective, transparent criteria?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No If no, please give details:
--	---

Non-compliance: None

1. Description of non-compliance: <input type="checkbox"/> NC against ETI <input type="checkbox"/> NC against Local Law <input type="checkbox"/> NC against customer code: Local law and/or ETI requirement: Recommended corrective action:	Objective evidence observed: <i>(where relevant please add photo numbers)</i>
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Observation: None

Description of observation: Local law or ETI requirement: Comments:	Objective evidence observed:
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Good Examples observed: None

Description of Good Example (GE):	Objective Evidence Observed:
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8: Regular Employment Is Provided

[\(Click here to return to summary of findings\)](#)

[\(Click here to return to Key Information\)](#)

ETI

8.1 To every extent possible work performed must be on the basis of recognised employment relationship established through national law and practice.

8.2 Obligations to employees under labour or social security laws and regulations arising from the regular employment relationship shall not be avoided through the use of labour-only contracting, sub-contracting, or home-working arrangements, or through apprenticeship schemes where there is no real intent to impart skills or provide regular employment, nor shall any such obligations be avoided through the excessive use of fixed-term contracts of employment.

Additional Elements: Responsible Recruitment

8.3 Suppliers have full understanding of the entire recruitment process and assess all labour recruiters and intermediaries against legal and/or ethical requirements.

8.4 There are effective management systems in place to identify and monitor the hiring and management of all migrant workers, contract workers, agency workers, temporary or casual labour. The supplier shall implement processes to enable adequate control over agencies with regards the above points and related legislation.

8.5 Employment agencies must only supply workers registered with them.

8.6 Workers pay no recruitment fee at any stage of the recruitment process.

8.7 Worker contracts accurately reflect the agreed payment and terms in the recruitment process and are understood and signed by workers.

Current Systems and Evidence Examined

To complete 'current systems' Auditors examine policies and written procedures in conjunction with relevant managers, to understand, and record what controls and processes are currently in place e.g. record what policies are in place, what relevant procedures are carried out, who is/are responsible for the management of this item of the code. Evidence checked should detail any documentary or verbal evidence shown to support the systems.

Current systems:

No agency employment in use.

All interviewees confirmed a copy of the contract was given to them upon hire.

Checked personal files and all reviewed files contained valid and complete employment contracts.

All employees have contract with the company which is in line with law regulation. Contracts could be permanent or temporary, which is clearly defined in existing Employment rulebook about work. Exist procedure related regular recruitment process, including monitoring of recruitment through agency as well as possible work of migrant workers.

Contracts are signed by the employee and the company director. Employees have a copy of the contract was given to them upon hire.

All about confirmed through interviews.

Evidence examined – to support system description (Documents examined & relevant comments. Include renewal/expiry date where appropriate):

Details:

Interviews

Personal files

Employment rulebook

Any other comments:

None.

Non-compliance: None	
<p>1. Description of non-compliance: <input type="checkbox"/> NC against ETI <input type="checkbox"/> NC against Local Law <input type="checkbox"/> NC against customer code:</p> <p>Local law and/or ETI requirement:</p> <p>Recommended corrective action:</p>	<p>Objective evidence observed: <i>(where relevant please add photo numbers)</i></p>

Observation: None	
<p>Description of observation:</p> <p>Local law or ETI requirement:</p> <p>Comments:</p>	<p>Objective evidence observed:</p>

Good Examples observed: None	
<p>Description of Good Example (GE):</p>	<p>Objective Evidence Observed:</p>

Responsible Recruitment

All Workers	
<p>A: Were all workers presented with terms of employment at the time of recruitment, did they understand them and are they same as current conditions?</p>	<p><input checked="" type="checkbox"/> Terms & Conditions presented <input checked="" type="checkbox"/> Understood by workers <input checked="" type="checkbox"/> Same as actual conditions</p> <p>A1: If any are unchecked, please describe finding and specific category(ies) of workers affected:</p>
<p>B: Did workers' pay any fees, taxes, deposits or bonds for the purpose of recruitment/placement?</p>	<p><input type="checkbox"/> Yes <input checked="" type="checkbox"/> No</p> <p>B1: If yes, please describe details and specific category(ies) of workers affected:</p>

C: If yes, check all that apply:	<input type="checkbox"/> Recruitment / hiring fees <input type="checkbox"/> Service fees <input type="checkbox"/> Application costs <input type="checkbox"/> Recommendation fees <input type="checkbox"/> Placement fees <input type="checkbox"/> Administrative, overhead or processing fees <input type="checkbox"/> Skills tests <input type="checkbox"/> Certifications <input type="checkbox"/> Medical screenings <input type="checkbox"/> Passports/ID's <input type="checkbox"/> Work / resident permits <input type="checkbox"/> Birth certificates <input type="checkbox"/> Police clearance fees <input type="checkbox"/> Any transportation and lodging costs after employment offer <input type="checkbox"/> Any transport costs between work place and home <input type="checkbox"/> Any relocation costs after commencement of employment <input type="checkbox"/> New hire training / orientation fees <input type="checkbox"/> Medical exam fees <input type="checkbox"/> Deposit bonds or other deposits <input type="checkbox"/> Any other non-monetary assets <input type="checkbox"/> Other – C1: If other, please give details:
D: If any checked, give details:	N/A

Migrant Workers: <i>The term "migrant worker" refers to a person who is engaged or has been engaged in a remunerated activity in a country of which they are not a national or permanent resident or has purposely migrated on a temporary basis to another in-country region to seek and engage in a remunerated activity</i>			
A: Type of work undertaken by migrant workers:	N/A		
B: Please give details about recruitment agencies for migrant workers:	B1: Total number of (in country recruitment agencies) used: B2: Total number of (outside of local country) recruitment agencies used:		
C: Are migrant workers' voluntary deductions (such as for remittances) confirmed in writing by the worker and is evidence of the transaction supplied by the facility to the worker?	<table border="1" style="width: 100%;"> <tr> <td style="width: 50%;"> <input type="checkbox"/> Yes <input type="checkbox"/> No C1: Please describe finding: </td> <td style="width: 50%;"> <input type="checkbox"/> Yes <input type="checkbox"/> No C1: Please describe finding: </td> </tr> </table>	<input type="checkbox"/> Yes <input type="checkbox"/> No C1: Please describe finding:	<input type="checkbox"/> Yes <input type="checkbox"/> No C1: Please describe finding:
<input type="checkbox"/> Yes <input type="checkbox"/> No C1: Please describe finding:	<input type="checkbox"/> Yes <input type="checkbox"/> No C1: Please describe finding:		
D: Are Any migrant workers in skilled, technical, or management roles <i>Migrant Workers (this should include all migrant workers including permanent workers, temporary and/or seasonal workers)</i>	<input type="checkbox"/> Yes <input type="checkbox"/> No D1: If yes, number and example of roles:		

NON-EMPLOYEE WORKERS

Recruitment Fees:	
A: Are there any fees?	<input type="checkbox"/> Yes <input type="checkbox"/> No
B: If yes, check all that apply:	<input type="checkbox"/> Recruitment / hiring fees <input type="checkbox"/> Service fees <input type="checkbox"/> Application costs <input type="checkbox"/> Recommendation fees <input type="checkbox"/> Placement fees <input type="checkbox"/> Administrative, overhead or processing fees <input type="checkbox"/> Skills tests <input type="checkbox"/> Certifications <input type="checkbox"/> Medical screenings <input type="checkbox"/> Passports/ID's <input type="checkbox"/> Work / resident permits <input type="checkbox"/> Birth certificates <input type="checkbox"/> Police clearance fees <input type="checkbox"/> Any transportation and lodging costs after employment offer <input type="checkbox"/> Any transport costs between work place and home <input type="checkbox"/> Any relocation costs after commencement of employment <input type="checkbox"/> New hire training / orientation fees <input type="checkbox"/> Medical exam fees <input type="checkbox"/> Deposit bonds or other deposits <input type="checkbox"/> Any other non-monetary assets <input type="checkbox"/> Other B1 – If other, please give details:
C: If any checked, give details:	N/A

Agency Workers (if applicable)	
<i>(workers sourced from a local agent who are not directly paid by the site, but paid by the agency, Usually the agencies are paid by the site and the wages of the individual workers are paid by the agency.)</i>	
A: Number of agencies used (average):	A1: Names if available: N/A
B: Were agency workers' age / pay / hours included within the scope of this audit?	<input type="checkbox"/> Yes <input type="checkbox"/> No
C: Were sufficient documents for agency workers available for review?	<input type="checkbox"/> Yes <input type="checkbox"/> No
D: Is there a legal contract / agreement with all agencies?	<input type="checkbox"/> Yes <input type="checkbox"/> No D1: Please give details:

<p>E: Does the site have a system for checking labour standards of agencies? If yes, please give details.</p>	<p><input type="checkbox"/> Yes <input type="checkbox"/> No</p> <p>E1: Please give details:</p>
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Contractors: <i>Note: contractors in this context are generally individuals who supply several workers to a site. Usually the contractors are paid by the site and the wages of the workers are paid by the contractor. Common terms include, gang bosses, labor provider,</i>	
<p>A: Any contractors on site?</p>	<p><input type="checkbox"/> Yes <input type="checkbox"/> No</p> <p>A1: If yes, how many contractors are present, please give details:</p>
<p>B: If Yes, how many workers supplied by contractors?</p>	<p>N/A</p>
<p>C: Do all contractor workers understand their terms of employment?</p>	<p><input type="checkbox"/> Yes <input type="checkbox"/> No</p> <p>C1: Please describe finding:</p>
<p>D: If Yes, please give evidence for contractor workers being paid per law:</p>	<p>N/A</p>

8A: Sub-Contracting and Homeworking
[\(Click here to return to summary of findings\)](#)
[\(Click here to return to Key Information\)](#)

8A.1 There should be no sub-contracting unless previously agreed with the main client.
 8A.2 Systems and processes should be in place to manage sub-contracting, homeworking and external processing.
Note to auditor on homeworking:
 Report on whether it is direct or via agents. How many workers, relationship with site and what control systems are in place.
Note to auditor on subcontracting: auditor should use this section for subcontractors of part made or wholly made finished goods, this section should not be used for raw material manufacturers unless instructed otherwise by customers

Current Systems and Evidence Examined

To complete 'current systems' Auditors examine policies and written procedures in conjunction with relevant managers, to understand, and record what controls and processes are currently in place e.g. record what policies are in place, what relevant procedures are carried out, who is/are responsible for the management of this item of the code. Evidence checked should detail any documentary or verbal evidence shown to support the systems.

Current systems:

No sub-contracting and homeworking practised by the factory. No evidence for sub-contractors found during the audit.

Evidence examined – to support system description (Documents examined & relevant comments. Include renewal/expiry date where appropriate):

Details:
 Management interviews
 Interviews with employees

If any processes are sub-contracted – please populate below boxes

Details:

Non-compliance: None

1. Description of non-compliance:

NC against ETI/Additional Elements NC against Local Law
 NC against customer code:

Local law and/or ETI /Additional Elements requirement:

Recommended corrective action:

Objective evidence observed:
 (where relevant please add photo numbers)

Observation: None	
Description of observation: Local law or ETI/Additional elements requirement: Comments:	Objective evidence observed:

Good Examples observed: None	
Description of Good Example (GE):	Objective Evidence Observed:

Summary of sub-contracting – if applicable	
<input checked="" type="checkbox"/> Not Applicable please x	
A: Has the auditor made a simple calculation to compare capacity with workers' work load in order to identify possible unrecorded work or undeclared sub-contracting	<input type="checkbox"/> Yes <input type="checkbox"/> No A1: Please describe:
B: If sub-contractors are used, is there evidence this has been agreed with the main client?	<input type="checkbox"/> Yes <input type="checkbox"/> No B1: If Yes , summarise details:
C: Number of sub-contractors/agents used:	
D: Is there a site policy on sub-contracting?	<input type="checkbox"/> Yes <input type="checkbox"/> No D1: If Yes , summarise details:
E: What checks are in place to ensure no child labour is being used and work is safe?	

Summary of homeworking – if applicable			
<input checked="" type="checkbox"/> Not Applicable please x			
A: If homeworking is being used, is there evidence this has been agreed with the main client?	<input type="checkbox"/> Yes <input type="checkbox"/> No A1: If Yes , summarise details:		
B: Number of homeworkers	B1: Male:	B2: Female:	Total:
C: Are homeworkers employed direct or through agents?	<input type="checkbox"/> Directly <input type="checkbox"/> Through Agents		C1: If through agents, number of agents:

D: Is there a site policy on homeworking?	<input type="checkbox"/> Yes <input type="checkbox"/> No	
E: How does the site ensure worker hours and pay meet local laws for homeworkers?		
F: What processes are carried out by homeworkers?		
G: Do any contracts exist for homeworkers?	<input type="checkbox"/> Yes <input type="checkbox"/> No G1: Please give details:	
H: Are full records of homeworkers available at the site?	<input type="checkbox"/> Yes <input type="checkbox"/> No	

9: No Harsh or Inhumane Treatment is Allowed
[\(Click here to return to summary of findings\)](#)

ETI

9.1 Physical abuse or discipline, the threat of physical abuse, sexual or other harassment and verbal abuse or other forms of intimidation shall be prohibited.
 Additional elements:
 9.2 companies should provide access to a confidential grievance mechanism for all workers

A: Are there published, anonymous and/or open channels available for reporting any violations of Labour standards and H&S or any other grievances to a 3 rd party?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No A1: Please give details: Can be reported orally to the management, as well as suggestion boxes are installed
B: If Yes , are workers aware of these channels and have access? Please give details.	Workers are aware of the anonymous communication channel and implemented procedure.
C: If yes, what type of mechanism is used e.g. hotline, whistle blowing mechanism, comment box etc. Please give details.	Suggestion box
D: Which of the following groups is there a grievance mechanism in place for?	<input checked="" type="checkbox"/> Workers <input checked="" type="checkbox"/> Communities <input checked="" type="checkbox"/> Suppliers <input checked="" type="checkbox"/> Other D1: Please give details: suggestion box
E: Are there any open disputes?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No E1: If yes, please give details
F: Does the site encourage its business partners (e.g. suppliers) to provide individuals and communities with access to effective grievance mechanisms (e.g. helplines or whistle blowing mechanism)?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No F1: If no, please give details
G: Is there a published and transparent disciplinary procedure?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No G1: If no, please explain
H: If yes, are workers aware of these the disciplinary procedure?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No H1: If no, please give details
I: Does the disciplinary procedure allow for deductions from wages (fines) for disciplinary purposes (see wages section)?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No I1: If yes, please give details

Current Systems and Evidence Examined

To complete 'current systems' Auditors examine policies and written procedures in conjunction with relevant managers, to understand, and record what controls and processes are currently in place e.g. record what policies are in place, what relevant procedures are carried out, who is /are responsible for the management of this item of the code. Evidence checked should detail any documentary or verbal evidence shown to support the systems.

Current systems:

Employees were aware of the disciplinary practice which is controlled in their contracts also.
 Any grievances can be reported, but no evidence about grievances.
 There were no any exemplar of abuse or harassment.
 Implemented rulebook for protection of whistle-blowers.

Evidence examined – to support system description (Documents examined & relevant comments. Include renewal/expiry date where appropriate):

Details:
 Interviews
 Site tour
 Internal rules

Any other comments:
 None.

Non-compliance: None

1. Description of non-compliance:

NC against ETI NC against Local Law NC against customer code:

Local law and/or ETI requirement:

Recommended corrective action:

Objective evidence observed:
 (where relevant please add photo numbers)

Observation: None

Description of observation:

Local law or ETI requirement:

Comments:

Objective evidence observed:

Good Examples observed: None

Description of Good Example (GE):

Objective Evidence Observed:

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10. Other Issue areas: 10A: Entitlement to Work and Immigration

[\(Click here to return to NC-table\)](#)

Additional Elements

10A.1 Only workers with a legal right to work shall be employed or used by the supplier.

10A.2 All workers, including employment agency staff, must be validated by the supplier for their legal right to work by reviewing original documentation.

Current Systems and Evidence Examined

To complete 'current systems' Auditors examine policies and written procedures in conjunction with relevant managers, to understand, and record what controls and processes are currently in place e.g. record what policies are in place, what relevant procedures are carried out, who is/are responsible for the management of this item of the code. Evidence checked should detail any documentary or verbal evidence shown to support the systems.

Current systems:

All workers with a legal right to work are employed.

All workers, are validated by the company for their legal right to work by reviewing original documentation

Evidence examined – to support system description (Documents examined & relevant comments. Include renewal/expiry date where appropriate):

Details:

Personal files

Interviews

Any other comments:

None.

Non-compliance: None

1. Description of non-compliance:

NC against ETI/Additional Elements

NC against Local Law

NC against customer code:

Objective evidence observed:

(where relevant please add photo numbers)

Local law and/or ETI /Additional Elements requirement:

Recommended corrective action:

Observation: None

Description of observation: Local law or ETI/Additional Elements requirement: Comments:	Objective evidence observed:
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Good examples observed: None	
Description of Good Example (GE):	Objective Evidence Observed:

10. Other issue areas 10B4: Environment 4–Pillar
[\(Click here to return to summary of findings\)](#)
To be completed for a 4–Pillar SMETA Audit and remove the previous page which is 10B2 environment 2 pillar

B.4. Compliance Requirements

10B4.1 Businesses as a minimum must meet the requirements of local and national laws related to environmental standards.

10B4.2 Where it is a legal requirement, businesses must be able to demonstrate that they have the relevant valid permits including for use and disposal of resources e.g. water, waste etc.

10B4.3 Businesses shall be aware of their end client’s environmental standards/code requirements

10B4.4 Suppliers should have an environmental policy, covering their environmental impact, which is communicated to all appropriate parties, including its own suppliers.

10B4.5 Suppliers shall be aware of the significant environmental impact of their site and its processes.

10B4.6 The site should measure its impacts, including continuous recording and regular reviews of use and discharge of natural resources e.g. energy use, water use (see 4–pillar audit report and audit checks for details).

10B4.7 Businesses shall make continuous improvements in their environmental performance.

10B4.8 Businesses shall have available for review any environmental certifications or any environmental management systems documentation

10B4.9 Businesses should have a nominated individual responsible for co–ordinating the site’s efforts to improve environmental performance.

B4. Guidance for Observations

10B4.10 Suppliers should have completed the appropriate section of the SAQ and made it available to the auditor.

10B4.11 Has the site recently been subject to (or pending) any fines/prosecutions for noncompliance to environmental regulations.

Note for auditors and readers. This environment section is intended to take not more than 0.25 auditor days. It is an assessment only and the main requirement is to establish whether a site is meeting applicable environmental laws and/or has any certifications or environmental management systems in place. Following this assessment, the client/supplier may decide a full environmental audit is required (see also best practice guidance/environment and guidance for auditor)

Current Systems and Evidence Examined

To complete 'current systems' Auditors examine policies and written procedures in conjunction with relevant managers, to understand, and record what controls and processes are currently in place e.g. record what policies are in place, what relevant procedures are carried out, who is/are responsible for the management of this item of the code. Evidence checked should detail any documentary or verbal evidence shown to support the systems.

Current systems:

The management demonstrated very good awareness to all applicable legal requirements related to environmental protection.

No any significant negative findings from inspection of authority since starting of production activities.

Company has obtained water permit. No any discrepancies in law defined limits in order to waste water emissions nor air emissions.

In area of waste management defined two non-conformities and observations for improvement.

Evidence examined – to support system description (Documents examined & relevant comments. Include renewal/expiry date where appropriate):

During site tour found that receiving tanks under the package with chemicals do not have enough capacity NC3

Evidence examined – to support system description (Documents examined & relevant comments. Include renewal/expiry date where appropriate):

Details:

Details:

Decision on the formation of the Team for protection of health and safety at work and protection of the environment no 01/2020 dated 25.02.2020

Environmental policy dated 5.5.2021

Water permit no. 10246/1 dated 26.11.2019. from JP Srbijavode Beograd

Report about testing of potable water no. V033/19 ID 114 dated 07/02/2019 from ZJZ Sabac

Report of waste water analyses no. 251 dated 30.8.2018. from external authorized laboratory ZJZ Sabac

Contract for waste disposal 26.08.2016. signed with authorized waste operator Kemis

Contract for disposal of non-dangerous waste dated 06.11.2017. signed with JKP Standard Ljubovija

Contract for maintenance of separator dated 10.11.2017. signed with company Neimar Integra.

Nomination of person responsible for waste management dated 24/02/2019 (nominated Goran Blagojevic)

Document of waste disposal dated 06/02/2018 from waste operator Kemis (e.g. waste type: electronic waste, quantity 0,1t)

Material Safety Data Sheet from Ecolab (chemical P3 Alcodes)

Any other comments:

None.

Non-compliance:	
<p>1. Description of non-compliance: <input checked="" type="checkbox"/> NC against ETI/Additional Elements <input type="checkbox"/> NC against Local <input type="checkbox"/> NC against customer code: Receiving tanks under the package with chemicals (in storage of dangerous waste) do not have enough capacity/ Tankvane ispod hemikalija (na lokaciji skladišta otpada) nisu dovoljnog kapaciteta</p> <p>Local law and/or ETI/Additional Elements requirement: 10B4.5 Suppliers shall be aware of the significant environmental impact of their site and its processes.</p> <p>Recommended corrective action: Replace existing tanks with adequate / Zameniti postojece tankvane sa tankvane</p>	<p>Objective evidence observed: (where relevant please add photo numbers)</p> <p>-Site visit</p>

Observation: None	
<p>Description of observation:</p> <p>Local law or ETI/Additional elements requirements:</p> <p>Comments:</p>	<p>Objective evidence observed:</p>

Good examples observed: None	
<p>Description of Good Example (GE):</p>	<p>Objective Evidence Observed:</p>

Environmental Analysis <i>(Site declaration only – this has not been verified by auditor. Please state units in all cases below.)</i>	
A: Is there a manager responsible for Environmental issues (Name and Position):	Mr. Rade Ignjatovic, Independent associate for primary production
B: Has the site conducted a risk assessment on the environmental impact of the site, including implementation of controls to reduce identified risks?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No B1: Please give details: The organization systematically checks the impact of their activities, products and services on the environment. List of aspect updated 15/2/2022
C: Does the site have a recognised environmental system certification such as ISO 14000 or equivalent? Please give details.	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No C1: Please give details: N/A
D: Does the site have an Environmental policy? <i>(For guidance, please see Measurement criteria)</i>	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No D1: If yes, is it publicly available? Environmental policy dated 5.5.2021 Published on board
E: If yes, does it address the key impacts from their operations and their commitment to improvement?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No E1: Please give details: stated in the policy
F: Does the site have a Biodiversity policy? <i>(For guidance, please see Measurement criteria)</i>	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
G: Is there any other sustainability systems present such as Chain of Custody, Forest Stewardship Council (FSC), Marine Stewardship Council (MSC) etc.? Please give details. <i>(For guidance, please see Measurement criteria)</i>	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No G1: Please give details: N/A
H: Have all legally required permits been shown? Please give details.	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No H1: Please give details: Company provided all relevant permits. Stated in evidence examined section
I: Is there a documentation process to record hazardous chemicals used in the manufacturing process?	<input type="checkbox"/> Yes <input type="checkbox"/> No <input checked="" type="checkbox"/> N/A I1: Please give details: because of nature of processes, no used chemicals in manufacturing process (company use chemicals only for cleaning)
J: Is there a system for managing client's requirements and legislation in the destination countries regarding environmental and chemical issues?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No J1: Please give details: checked List law regulation
K: Facility has reduction targets in place for environmental aspects e.g. water consumption and discharge, waste, energy and green-house gas emissions:	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No K1: Please give details: Energy reduction goals, noise reduction goal

L: Facility has evidence of waste recycling and is monitoring volume of waste that is recycled.	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No L1: Please give details: base on the waste contracts
M: Does the facility have a system in place for accurately measuring and monitoring consumption of key utilities of water, energy and natural resources that follows recognised protocols or standards?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No M1: Please give details: checked Monitoring plan (developed in frame of existing management system) as well as data about energy consumption.
N: Has the facility checked that any Sub-Contracting agencies or business partners operating on the premises have the appropriate permits and licences and are conducting business in line with environmental expectations of the facility?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No N1: Please give details: company has developed training program for subcontractors which require adequate documentation from subcontractors (e.g. MSDS, training records, control of equipment) and induction training before start with operation on location.

Usage/Discharge analysis

Criteria	Previous year: Please state period: 01.01.-31.12.2021	Current Year: Please state period: 01.01.-30.04.2022
Electricity Usage: Kw/hrs	1065.200	264.800
Renewable Energy Usage: Kw/hrs	0	0
Gas Usage: Kw/hrs	0	0
Has site completed any carbon Footprint Analysis?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
If Yes , please state result	N/A	N/A
Water Sources: Please list all sources e.g. lake, river, and local water authority.	<ul style="list-style-type: none"> Local water supply "JKP Standard" 	<ul style="list-style-type: none"> Local water supply "JKP Standard"
Water Volume Used: (m ³)	5.989	1980
Water Discharged: Please list all receiving waters/recipients.	<ul style="list-style-type: none"> Collector for water purification 	<ul style="list-style-type: none"> Collector for water purification
Water Volume Discharged: (m ³)	11500m3	3500m3
Water Volume Recycled: (m ³)	0	0
Total waste Produced (please state units)	10.71 t	2,38 t
Total hazardous waste Produced:	2,5t	0,3t

<i>(please state units)</i>		
Waste to Recycling: <i>(please state units)</i>	9.71 t	2,38 t
Waste to Landfill: <i>(please state units)</i>	325 m3	100 m3
Waste to other: <i>(please give details and state units)</i>	1	0
Total Product Produced <i>(please state units)</i>	3.923 t	885t

10C: Business Ethics – 4-Pillar Audit

[\(Click here to return to summary of findings\)](#)

To be completed for a 4-Pillar SMETA Audit

10C. Compliance Requirements

10C.1 Businesses shall conduct their business ethically without bribery, corruption, or any type of fraudulent Business Practice.

10C.2 Businesses as a minimum must meet the requirements of local and national laws related to bribery, corruption, or any type of fraudulent Business Practices.

10C.3 Where it is a legal requirement, businesses must be able to demonstrate that they comply with all fiscal legislative requirements.

10C.4 Businesses shall have access to a transparent system in place for confidentially reporting, and dealing with unethical Business Ethics without fear of reprisals towards the reporter.

10C.5 Businesses should have a Business Ethics policy, covering bribery, corruption, or any type of fraudulent Business Practice,

10C.6 Businesses should have a designated person responsible for implementing standards concerning Business Ethics

10C.7 Suppliers should ensure that the staff whose job roles carry a higher level of risk in the area of ethical Business Practice e.g. sales, purchasing, logistics are trained on what action to take in the event of an issue arising in their area.

10C. Guidance for Observations

10C.8 Businesses should communicate their Business Ethics policy, covering bribery, corruption, or any type of fraudulent Business Practice to all appropriate parties, including its own suppliers.

10C.9 Has the site recently been subject to (or pending) any fines/prosecutions for non-compliance to Business Ethics regulations. If so is there evidence that sustainable corrective actions have been implemented

Note for auditors and readers. This Business Ethics section is intended to take not more than 0.25 auditor days. It is an assessment not an audit.

Current Systems and Evidence Examined

To complete 'current systems' Auditors examine policies and written procedures in conjunction with relevant managers, to understand, and record what controls and processes are currently in place e.g. record what policies are in place, what relevant procedures are carried out, who is /are responsible for the management of this item of the code. Evidence checked should detail any documentary or verbal evidence shown to support the systems.

Current systems:

Company conducts their business ethically without bribery, corruption, or any type of unethical business practice.

Adopted Anti-corruption rulebook.

There is access to a transparent system in place for confidentially reporting, and dealing with unethical Business Ethics without fear of reprisals towards the reporter.

Designated person responsible for implementing standards concerning Business Ethics, Mr. Rade Ignjatovic

Site was not been subject to (of pending) any fines or prosecutions against business ethics regulation.

Suppliers have signed Statement about ethical code acceptance.

Evidence examined – to support system description (Documents examined & relevant comments. Include renewal/expiry date where appropriate):

Details:

Social Policy
 Eti Base Code (Serbian version)
 Master list of documents, updated March 2022
 List o law regulation with table of evaluation of compliance, updated March 2022

Any other comments:
 None.

Non-compliance: None	
1. Description of non-compliance: <input type="checkbox"/> NC against ETI/Additional Elements <input type="checkbox"/> NC against Local <input type="checkbox"/> NC against customer code: Local law and/or ETI/Additional Elements requirement: Recommended corrective action:	Objective evidence observed: <i>(where relevant please add photo numbers)</i>

Observation None	
Description of observation: Local law or ETI/Additional elements requirement: Comments:	Objective evidence observed:

Good examples observed: None	
Description of Good Example (GE):	Objective Evidence Observed:

A: Does the facility have a Business Ethics Policy and is the policy communicated and applied internally, externally or both, as appropriate?	<input checked="" type="checkbox"/> Internal Policy <input checked="" type="checkbox"/> Policy for third parties including suppliers A1: Please give details: Anti-corruption rulebook, March 2022. Internal Social policy, issue 1 dated November 2016; revision dated March 2022 List of interested parties dated March 2022.
B: Does the site give training to relevant personnel (e.g. sales and logistics) on business ethics issues?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No B1: Please give details: part of initial training (after beginning of employment) is ethical codex
C: Is the policy updated on a regular (as needed) basis?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No

	<p>C1: Please give details: Internal Social policy is periodically reviewed, last version dated March 2022.</p>
<p>D: Does the site require third parties including suppliers to complete their own business ethics training</p>	<p> <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No </p> <p>D1: Please give details: company has no such practice, but they have plan to start with proper approach in this direction to own suppliers</p>

Other findings

Other Findings Outside the Scope of the Code

None.

Community Benefits

(Please list below any specific community benefits that the site management stated that they were involved in, for example, HIV programme, education, sports facilities)

None.

Appendix 1

Comparison between ETI code and Customer's Supplier's Code. Any areas where a site complies with the Customer's Supplier Code, but not with the ETI code are discussed at the audit close out meeting and recorded on the CAPR. Note to supplier "for this customer it may not be necessary to complete corrective actions where NC's DO NOT meet the ETI code, but DO meet your customer's code. If the audit is shared with other customers who work to the ETI code or an equivalent international standard, corrective actions will be necessary."

Not Applicable please x

Photo Form

<p>General view</p>	<p>Communication board</p>	<p>Suggestion box</p>
<p>Production area</p>	<p>Production area-tunnels</p>	<p>Production area-one of cold chambers</p>
<p>Work instruction in production area</p>	<p>Storage of packing materials</p>	<p>First aid box</p>

<p>Emergency light</p>	<p>Fire extinguisher in production area</p>	<p>Hydrant in production area</p>
<p>Outside hydrant</p>	<p>Assembly point</p>	<p>Locker room</p>
<p>Toilets</p>	<p>Toilet</p>	<p>Canteen</p>
<p>Storage of chemicals</p>	<p>Available MSDS</p>	<p>Storage of dangerous waste</p>



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Your feedback on your experience of the SMETA audit you have observed is extremely valuable. It will help to make improvements to future versions.

You can leave feedback by following the appropriate link to our questionnaire:

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