




Sedex Members Ethical Trade Audit Report

Version 6.0



| Audit Details | | | |
|--|---|---|---|
| Sedex Company Reference: (only available on Sedex System) | ZC1058177 | Sedex Site Reference: (only available on Sedex System) | ZS1017241 |
| Business name (Company name): | DINA DINAMARCA INDUSTRIAL AGRÍCOLA | | |
| Site name: | DINA AGRICOLA | | |
| Site address: (Please include full address) | Sítio Pau Branco, Sn Zona Rural- MOSSORÓ /RN CEP: 59600-970 | Country: | Brazil |
| Site contact and job title: | Reinaldo CHOTTEN Agronomist and QSM Manager | | |
| Site phone: | +5584994240050 | Site e-mail: | amandadina@bol.com.br |
| SMETA Audit Pillars: | <input checked="" type="checkbox"/> Labour Standards | <input checked="" type="checkbox"/> Health & Safety | <input type="checkbox"/> Environment <input type="checkbox"/> Business Ethics |
| Date of Audit: | November 29 th and 30 th ,2018 | | |

| | |
|--|--|
| Audit Company Name & Logo:  | Report Owner (payee): DINA DINAMARCA INDUSTRIAL AGRÍCOLA |
|--|--|

| Audit Conducted By | | | | | |
|--------------------|-------------------------------------|--|--------------------------|-------------|--------------------------|
| Commercial | <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) | | | |

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 6.0 April 2017 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.

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

| | |
|---------------------------------|------------------------|
| Lead auditor: | Xavier-Henri Baudequin |
| Team auditor: | |
| Interviewers: | Xavier-Henri Baudequin |
| Report writer: | Xavier-Henri Baudequin |
| Report reviewer: | Silke Eidecker |
| Audit Company Report Reference: | 18INT-1413959 |
| Date of declaration: | 11/30/2018 |

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.

Non-Compliance Table

| Issue (please click on the issue title to go direct to the appropriate audit results by clause) Note to auditor, please ensure that when issuing the audit report, hyperlinks are retained. | Area of Non-Conformity (Only check box when there is a non-conformity, and only in the box/es where the non-conformity can be found) | | | | Record the number of issues by line*: | | | Findings (note to auditor, summarise in as few words as possible NCs, Obs and GE) |
|---|---|-------------------------------------|--------------------------|--------------------------|---------------------------------------|-----|----|--|
| | ETI Base Code | Local Law | Additional Elements | Customer Code | NC | Obs | GE | |
| 0A Universal Rights covering UNGP | | | <input type="checkbox"/> | <input type="checkbox"/> | | | | |
| 0B Management systems and code implementation | <input checked="" type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | 1 | | | <ul style="list-style-type: none"> Isolate failure on local legislation verification and applying |
| 1. Freely chosen Employment | <input type="checkbox"/> | <input type="checkbox"/> | | <input type="checkbox"/> | | | | |
| 2. Freedom of Association | <input type="checkbox"/> | <input type="checkbox"/> | | <input type="checkbox"/> | | | | |
| 3. Safety and Hygienic Conditions | <input checked="" type="checkbox"/> | <input checked="" type="checkbox"/> | | <input type="checkbox"/> | 5 | | | <ul style="list-style-type: none"> No MSDS available at chemical mixture point No security signs on several electric boards No Legal Fire licences Inward opening emergency exit No Fire exits emergency lightnings devices |
| 4. Child Labour | <input type="checkbox"/> | <input type="checkbox"/> | | <input type="checkbox"/> | | | | |
| 5. Living Wages and Benefits | <input type="checkbox"/> | <input type="checkbox"/> | | <input type="checkbox"/> | | | 5 | <ul style="list-style-type: none"> Workers paid on an upper base than legal requirements Lunch and dinner almost freely provided Commemoratives days offered to workers |

| | | | | | | | | | |
|------|--|--------------------------|--------------------------|--------------------------|--------------------------|--|--|--|--|
| | | | | | | | | | <ul style="list-style-type: none"> Emergency and health assistance provided to workers living on site Health prevention training |
| 6 | <u>Working Hours</u> | <input type="checkbox"/> | <input type="checkbox"/> | | <input type="checkbox"/> | | | | |
| 7 | <u>Discrimination</u> | <input type="checkbox"/> | <input type="checkbox"/> | | <input type="checkbox"/> | | | | |
| 8 | <u>Regular Employment</u> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | | | | |
| 8A | <u>Sub-Contracting and Homeworking</u> | | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | | | | |
| 9 | <u>Harsh or Inhumane Treatment</u> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | | | | |
| 10A | <u>Entitlement to Work</u> | | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | | | | |
| 10B2 | <u>Environment 2-Pillar</u> | | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | | | | |
| 10B4 | <u>Environment 4-Pillar</u> | | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | | | | NA |
| 10C | <u>Business Ethics</u> | | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | | | | NA |

General observations and summary of the site:

DINA DINAMARCA AGRICOLA is a medium sized farm (760 ha with a productive area of 450 ha) located about 30 km from MOSSORÓ, Rio Grande do Norte State, in the North East of Brazil. The farm is dedicated to melons and watermelons growing and packing. It presents a solid QMS as the farm is included in a Cooperative Society (COOPYFRUTAS) with four other growers in the same region which share the same QMS. All premises and locals of the farms are well organized and clean, with a good working security assessment in place at all technical premises and a wide and efficient communication with workers spread all over the site. Some workers are living on site in good structural conditions and with access to largely well commented benefits.

On the audit days, the staff was composed of 284 workers out of which 269 are production workers and 15 are dedicated to administrative or management functions. All worker interviews (26) pointed out that workers are feeling good to work on site where they get paid on time, receive extra salary when doing overtime, and where they consider that the management is respectful with them.

The works shift is available from 06:30 am to 04:30 pm for fields workers with 2 unpaid hours break for lunch, 5 days a week from Monday to Friday. On Saturday, shift is from 06:30 am to 10:30 am. Second shift is available for the packing house staff from 07 am to 05pm with 2 unpaid hours break for lunch. On

Saturday shift is from 07:00am to 11:00 am. When required a maximum of two extra hours is made per day always paid and justified on the pay roll on the regular rate defined per law or the two different available CBA's in the region.

Wages are calculated and paid on a monthly base from the last two working days of the month until the first 2 worked days of the next month, and a partial payment is made at the mid-month on the 15th day of the month. This payment represents 40% of the monthly income. Workers are paid by bank cheque when on temporary contract and by direct deposit to their bank accounts when permanent workers.

**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: | DINA DINAMARCA AGRICOLA LTDA | | | | | | | | | | | | | | | | | | | |
| B: Site name: | DINA AGRICOLA | | | | | | | | | | | | | | | | | | | |
| C: GPS location: (if available) | GPS Address: | Latitude: Longitude: | | | | | | | | | | | | | | | | | | |
| D: Applicable business and other legally required licence numbers and documents, for example, business license number, liability insurance, any other required government inspections | <p>Business licence: 52/108 valid till 12/31/2018</p> <p>Environmental Licence: issued by IDEMA on 05/19/2018 valid till 05/18/2019</p> <p>Water Licence #1: issued on 06/20/2018 by IGARN n° 324/2018 valid till 2022</p> <p>Water licence # 2: issued on 03/20/2016 by IGARN n° 137/2016 Valid till 2020</p> <p>Water licence # 3: issued on 11/29/2018 by IGARN n° 457/2016 Valid till 2010</p> <p>ITR (Land property): 2018/ 8.194.565-5, 2018/8.519.284-8 2018/5.130.674-3</p> <p>Exportor Licence issued on 03/08/2017 Receita Federal Brazil</p> | | | | | | | | | | | | | | | | | | | |
| E: Products/Activities at site, for example, garment manufacture, electricals, toys, grower, cutting, sewing, packing etc. | Melons and watermelons | | | | | | | | | | | | | | | | | | | |
| F: Site description: (Include size, location, and age of site. Also, include structure and number of buildings) | <p>The company was founded in 1995 and is dedicated to the growing and packing of melons and watermelons. It has a total size of 760ha ha and a productive area of 450 ha. The site is located on 30km East side of Mossoro, 2nd largest city of Rio Grande do Norte State, North East of Brazil. Address of the site is DINA DINAMARCA Industrial Ltda. Sitio Pau Branco s/n Zona Mossoro RN -Brasil</p> <table border="1"> <thead> <tr> <th>Production Building no</th> <th>Description</th> <th>Remark, if any</th> </tr> </thead> <tbody> <tr> <td>1</td> <td>Packing house 26631 sq. m</td> <td></td> </tr> <tr> <td>2</td> <td>Paper boxes warehouse 1 6520,56 sq. m</td> <td></td> </tr> <tr> <td>3</td> <td>Paper boxes warehouse 2 4014,48 sq. m</td> <td></td> </tr> <tr> <td>4</td> <td>Workers commodities 4497,68 sq. m</td> <td></td> </tr> <tr> <td>5</td> <td>Canteen</td> <td></td> </tr> </tbody> </table> | | Production Building no | Description | Remark, if any | 1 | Packing house 26631 sq. m | | 2 | Paper boxes warehouse 1 6520,56 sq. m | | 3 | Paper boxes warehouse 2 4014,48 sq. m | | 4 | Workers commodities 4497,68 sq. m | | 5 | Canteen | |
| Production Building no | Description | Remark, if any | | | | | | | | | | | | | | | | | | |
| 1 | Packing house 26631 sq. m | | | | | | | | | | | | | | | | | | | |
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| 5 | Canteen | | | | | | | | | | | | | | | | | | | |

| | | | |
|--|--|--|--|
| | | 2442,52 sq. m | |
| | 6 | Pesticide warehouse 624,08 sq. m | |
| | 7 | Fertilizers warehouse 4239,44 sq. m | |
| | 8 | Mechanic Station 3572,32 sq. m | |
| | 9 | Oil station 785,78 sq. m | |
| | 10 | Irrigation point 1 538 sq. m | |
| | 11 | Irrigation point 2 538 sq. m | |
| | 12 | Irrigation point 3 376.80 sq. m | |
| | 13 | Irrigation point 4 376.80 sq. m | |
| | Total constructed surface: 55155,76 sq. m | | |
| Visible structural integrity issues (large cracks) observed? | | | |
| <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No Please give details: all premises are in good condition | | | |
| Does the site have a structural engineer evaluation? | | | |
| <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No Please give details: no structural engineer evaluation available | | | |
| G: Site function: | <input type="checkbox"/> Agent <input type="checkbox"/> Factory Processing/Manufacturer <input type="checkbox"/> Finished Product Supplier <input checked="" type="checkbox"/> Grower <input type="checkbox"/> Homeworker <input type="checkbox"/> Labour Provider <input checked="" type="checkbox"/> Pack House <input type="checkbox"/> Primary Producer <input type="checkbox"/> Service Provider <input type="checkbox"/> Sub-Contractor | | |
| H: Month(s) of peak season: (if applicable) | October | | |

| | |
|---|--|
| I: Process overview: (Include products being produced, main operations, number of production lines, main equipment used) | Melons planting, weeding, spraying, irrigation, pruning and harvesting. Then fruits are packed and stored in cold rooms before shipping Main machines available on site are: 7 chemicals sprayers, 2 Manure spreaders, 4 grades machines, 1 Plastic Mulching applier, 5 brush machines, 3 Paper box builder, 3 compressors, |
| J: What form of worker representation / union is there on site? | <input checked="" type="checkbox"/> Union (name) SINDICATO DOS TRABALHADORES NA LAVOURA DE MOSSORO (STTLM) and SINTFRUT <input checked="" type="checkbox"/> Worker Committee <input type="checkbox"/> Other (specify) <input type="checkbox"/> None |
| K: Is there any night production work at the site? | <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No |
| L: Are there any on site provided worker accommodation buildings e.g. dormitories | <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No If yes approx. % of workers in on site accommodation 34,15% |
| M: Are there any off site provided worker accommodation buildings | <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No If Yes approx. % of workers |
| N: Were all site provided accommodation buildings included in this audit | <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No If No, please give details |

| Audit Parameters | | |
|---|---|---|
| A: Time in and time out | Day 1 Time in: 09:00 am Day 1 Time out: 5:00 pm | Day 2 Time in: 08:00 am Day 2 Time out: 06:00 pm |
| B: Number of auditor days used: | 1 auditor – 2 man-days | |
| C: Audit type: | <input type="checkbox"/> Full Initial <input checked="" 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) | Reinaldo CHOTTEN | |
| 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: | N/A | |
| J: Previous audit type: | N/A | |
| K: Were any previous audits reviewed for this audit | <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No <input type="checkbox"/> N/A | |

| Audit attendance | Management | Worker Representatives | |
|------------------------------------|---|---|---|
| | Senior management | Worker Committee representatives | Union representatives |
| 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? | <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 |

| | |
|--|---|
| D: If Worker Representatives were not present please explain reasons why <i>(only complete if no worker reps present)</i> | N/A |
| E: If Union Representatives were not present please explain reasons why: <i>(only complete if no union reps present)</i> | They aren't permanent Union representatives on site although Union have a free access on site |

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 and where they do not intend to remain permanently 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* | | | | Total |
| | Permanent | Temporary | Agency | Permanent | Temporary | Agency | Home workers | |
| Worker numbers – Male | 109 | 134 | 0 | 0 | 0 | 0 | 0 | 243 |
| Worker numbers – female | 14 | 27 | 0 | 0 | 0 | 0 | 0 | 41 |
| Total | 123 | 161 | 0 | 0 | 0 | 0 | 0 | 284 |
| | | | | | | | | |
| Number of Workers interviewed – male | 8 | 6 | 0 | 0 | 0 | 0 | 0 | 14 |
| Number of Workers interviewed – female | 5 | 7 | 0 | 0 | 0 | 0 | 0 | 12 |
| Total – interviewed sample size | 13 | 13 | 0 | 0 | 0 | 0 | 0 | 26 |

| | |
|--|--|
| A: Nationality of Management | Brazilian |
| B: Nationality of workers <i>Please add more rows as applicable</i> | Countries: Country 1: <u>Brazilian</u> Country 2: _____ Country 3: _____ |
| C: For the majority nationality of workers: | Nationality 1 approx % total workforce <u>100%</u> Nationality 2 approx % total workforce _____ Nationality 3 approx % total workforce _____ |
| D: Worker remuneration (management information) | _____% workers on piece rate _____% hourly paid workers _100 _% salaried workers Payment cycle: _____% daily paid _____% weekly paid _100_____% monthly paid |

| | |
|--|---|
| | <p>_____ % other</p> <p>If other, please give details on day 15th workers get 40% of salary then 60% at the end of the month</p> |
|--|---|

| Worker Interview Summary | | |
|--|---|--------------|
| A: Were workers aware of the audit? | <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No | |
| B: Were workers aware of the code? | <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No | |
| C: Number of group interviews: (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) | Group #1: 5 male workers Group #2: 5 female workers Group #3: 5 male workers Group #4: 5 female workers | |
| D: Number of individual interviews (Please see SMETA Best Practice Guidance and Measurement Criteria) | Male: 4 | Female: 2 |
| 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? | There was no complaint identified | |
| I: What did the workers like the most about working at this site? | The respectful they are treated with on site | |
| J: Any additional comment(s) regarding interviews: | None | |
| K: Attitude of workers to hours worked: | All of them said that some extra hours are made but always paid at the right extra rate | |
| L. Is there any worker survey information available? | | |
| <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No If yes, please give details: | | |
| 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

All workers comments that the site is a good place to work. Most of them have temporary contracts but they know they have a job opportunity for the next season. All of them wants to come back and some permanent workers are on site since a long time

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

Worker's committee representant said that the company s committed with health and security and always solve the issues identified on fields and packing house

O: Attitude of managers:

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

Interested and proactive, they fully accepted all conclusions of the audit and immediately begun correctives actions when issues were pointed out during audit

Audit Results by Clause

0A: Universal Rights covering UNGP

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

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:

All politics related with ETI code of conducts and Human rights are available on site. Workers are aware of theses politics and comment that if any disrespect of these principles might occur the higher management of the Farm would not agree and accept. A Senior manager in charge of the implementation of the code is on place: Mr Reinaldo CHOOTEN is both in charge of the Quality system management as well as of the commitment to the ETI code of conduct.

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

Details: Training records, Generals politics, Interviews of management and workers

Any other comments:

None

A: Policy statement that expresses commitment to respect human rights?

☒ Yes

☐ No

Please give details (mainly applicable for the parent company): Included on Manual da Qualidade COD POL 01 vers.7 last update 06/05/18

| | |
|---|---|
| B: Does the business have a designated person responsible for implementing standards concerning Human Rights? | <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No Please give details: Name: Reinaldo CHOTTEN Job title: QSM Manager |
| C: Does the businesses have a transparent system in place for confidentially reporting, and dealing with human rights impacts without fear of reprisals towards the reporter? | <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No Please give details: An anonymous suggestion and complaint box is available on site |
| D: Does grievance mechanism meet with UNGP requirement of e.g. (Legitimate, Accessible, Predictable, Equitable, Transparent, Rights-compatible, a source of continuous learning and based on stakeholder engagement)? | <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No If no, please give details: |
| E: Does the business demonstrate effective data privacy procedures for workers' information, which is implemented? | <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No Please give details: Confidentiality is fully expressed in Manual da Qualidade COD POL 01 vers.7 last update 06/05/18 |

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

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

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) | Last year: 8,27 % | This year 5,78 % |
| B: Current % quarterly (90 days) turnover: Number of workers leaving from the first of the 90 day 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] | 7,15% | |
| 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 | Last year: 6,86 % | This year 3,21 % |
| 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 | 10,94 | |
| E: Are accidents recorded? | <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No Please describe: One accident was registered in January 2018 CAT n°2018-049-809-6/01 Worker's name: ANTONIO LUCIVAL MARQUES | |
| F: Annual Number of work related accidents and injuries per 100 workers: [(Number of work related accidents and injuries * 100) / Number of total workers] | Last year: Number: | This year:0,04 Number: 1 |
| 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 | |
| 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] | Last year: | This year: |
| I: % of workers that work on average more than 48 standard hours / week in the last 6 / 12 months: | 6 months 57,69 % workers | 12 months 46,15 % workers |
| J: % of workers that work on average more than 60 total hours / week in the last 6 / 12 months: | 6 months 15,38 % workers | 12 months 15,38 % workers |

0B: Management system and Code Implementation

[\(click here to return to NC Table\)](#)

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.

Reinaldo CHOTTEN is the manager in charge for the compliance with the code. The site has a full and wide QMS in order to reach all mandatory requirements from ETI Standards

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

Details: Training records upon ETI principles, Health and safety training records, Risk analysis and others records such as meeting minutes

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 Please give details: no fines nor prosecution received during the last year |
| 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 Please give details: in Manual da Qualidade COD POL 01 vers.7 last update 06/05/18 |
| C: If Yes, is there evidence (an indication) of effective implementation? Please give details. | It was verified during various workers interviews that ETI mandatory points are implemented. |
| 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 Please give details: registers are available such as for workers Last training 07/23/18 for Antonio Pascoal Costa or 07/09/19 for Adriano Silva |
| 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 Please give details: registers are available such as for workers Last training 07/23/18 for Antonio Pascoal Costa or 07/09/19 for Adriano Silva |

| | |
|--|--|
| 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 type="checkbox"/> Yes <input checked="" type="checkbox"/> No Please give details: |
| G: Is there a Human Resources manager/department? If Yes, please detail. | <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No Please give details: Luardiânia de Freitas |
| H: Is there a senior person /manager responsible for implementation of the code | <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No Please give details: Reinaldo CHOTTEN |
| I: Is there a policy to ensure all worker information is confidential | <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No Please give details: : in Manual da Qualidade COD POL 01 vers.7 last update 06/05/18 |
| J: Is there an effective procedure to ensure confidential information is kept confidential | <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No Please give details: : in Manual da Qualidade COD POL 01 vers.7 last update 06/05/18 |
| K: Are risk assessments conducted to evaluate policy and procedure effectiveness? | <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No Please give details: : in Manual da Qualidade COD POL 01 vers.7 last update 06/05/18 and in PGMSSA signed by Leonardo Lacerda Barros and Sara Cristina Rodrigue Santos |
| L: Does the facility have a process to address issues found when conducting risk assessments, including implementation of controls to reduce identified risks? | <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No Please give details: : in Manual da Qualidade COD POL 01 vers.7 last update 06/05/18 |
| M: Does the facility have a policy/code which require labour standards of its own suppliers? | <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No Please give details: : in Manual da Qualidade COD POL 01 vers.7 last update 06/05/18 |
| Land rights | |
| N: Does the site have all required land rights licenses and permissions (see SMETA Measurement Criteria)? | <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No Please give details: |
| 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? | <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No Please give details: Through recipes of Land Taxes payments (ITR) the site can prove land property |
| P: Does the site have a written policy and procedures specific to land rights. | <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No If yes, how does the company obtain FPIC: |

| | |
|--|---|
| 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 | |
| Q: Is there evidence that facility / site compensated the owner/lessor for the land prior to the facility being built or expanded. | <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No Please give details: land were legally purchased through legal procedures |
| R. Does the Facility demonstrate that alternatives to a specific land acquisition were considered to avoid or minimize adverse impacts? | <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No Please give details: |
| S: Is There any evidence of illegal appropriation of land for facility building or expansion of footprint. | <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No Please give details: |

Non-compliance:

1. Description of non-compliance:

- ☒ NC against ETI/Additional Elements
☐ NC against customer code:

☐ NC against Local Law

During the review of the QMS, it was verified that the company is complying with the National Labour laws which state in its Regulating norm NR 31 (31.8.3) that no men upper than 60 years old must be employed in Toxics spraying activities. Nevertheless, this mandatory point is modified by a stricter mandatory point included in the local Collective Bargain Agreement which state in its point # 8 a that no men upper 50 years old must be employed in Toxics spraying activities.

It was then verified that the company already has a toxic sprayer older than 50 years old (Francisco Pereira born in 11/17/1963). When asked upon the issue, the QSM manager pointed out that there is no internal process available on site to verify if they are any differences between national laws and others local requirements such as the CBA

Local law and/or ETI requirement:

ETI 0b 10: No system in place or way to keep up-to-date with local and national laws or otherwise inadequate management awareness

Recommended corrective action:

It is recommended that the site should have an internal process to verify applicable laws in its activities in such order to always remain up to date with local and national laws

Objective evidence observed:

(where relevant please add photo numbers)

Document review
Management interviews

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: |

1: Freely Chosen Employment

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

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 comments were identified about forced labour. All workers, included those living on site, commented the are free to leave when they want. The company do not require to workers the payment of any fees in order to be hired. Workers get back all the identities documents according to legal law delays

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

Details: Workers interviews, Review of Workers files

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 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 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 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 Please describe finding: |
| E: If any part of the business is UK based or registered there & has a turnover over £36m, is there is a published 'modern day slavery statement. | <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No Please describe finding: <input checked="" type="checkbox"/> Not applicable |

| | |
|---|---|
| G: 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 Please describe finding: No worker's freedom limitation was reported |
| H: Does the site understand the risks of forced / trafficked / bonded labour in its supply chain | <input type="checkbox"/> Yes <input type="checkbox"/> No <input checked="" type="checkbox"/> Not applicable |
| I: Is the site taking any steps taking to reduce the risk of forced / trafficked labour? | <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No Please describe finding: The company do not contract workers through external providers |

| 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: |

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

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

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:

Although there is no Union representant on site, workers commented that they are free to access and talk to Trade Union. Trade Unions have a free access to site where according to workers they sometimes have some meetings with workers. Although they are no minutes of these meetings (it is not a mandatory point), registry of workers paying the monthly trade union were identified in the pay roll. Two trade union are represented on site: One for fields workers and the others one for administrative staff

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

Details: Interviews with workers and management, Reviews of pay roll and documents

Any other comments: None

| | |
|---|--|
| A: What form of worker representation/union is there on site? | <input checked="" type="checkbox"/> Union (name) 1/ Sindicato dos trabalhadores na Lavoura de Mossoro STTLM 2/ Sintafruit <input checked="" type="checkbox"/> Worker Committee <input type="checkbox"/> Other (specify) <input type="checkbox"/> None |
| B: Is it a legal requirement to have a union? | <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No |
| C: Is it a legal requirement to have a worker's committee? | <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No |
| D: Is there any other form of effective worker/management | <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No |

| | | |
|--|--|--|
| communication channel? (Other than union/worker committee e.g. H&S, sexual harassment) | Describe: suggestions box Is there evidence of free elections? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No | |
| E: Does the supplier provide adequate facilities to allow the Union or committee to conduct related business? | <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No Details: worker's committee has a monthly meeting schedule on site. Last election was held on 2018/05/31 with a free election process beginning in 2018/05/05. First meeting of Worker's committee held on 2018/06/07 with regular members elected such as Amanda Raiane Oliveira or Luiz Fernando Rocha | |
| F: Name of union and union representative, if applicable: | 1/ Sindicato dos trabalhadores na Lavoura de Mossoro STTLM 2/ Sintafruit | Is there evidence of free elections? <input type="checkbox"/> Yes <input type="checkbox"/> No <input checked="" type="checkbox"/> N/A |
| G: If there is no union, is there a parallel means of consultation with workers e.g. worker committees? | N/A | Is there evidence of free elections? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A |
| H: Are all workers aware of who their representatives are? | <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No | Verified during worker interviews, all workers are aware of their representatives |
| I: Were worker representatives freely elected? | <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No | Date of last election: 05/31/2018 |
| J: Do workers know what topics can be raised with their representatives? | <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No | Any topics regarding about health and security conditions of works |
| K: Were worker representatives/union representatives interviewed? | <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No If Yes , please state how many: 1 | |
| L: Please describe any evidence that union/worker's committee is effective? <i>Specify date of last meeting; topics covered; how minutes were communicated etc.</i> | Workers committee monthly meeting minutes | |
| M: Are any workers covered by Collective Bargaining Agreement (CBA)? | <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No | |
| If Yes , what percentage by trade Union/worker representation | 100 % workers covered by Union CBA | 100 % workers covered by worker rep CBA |
| If Yes , does the Collective Bargaining Agreement (CBA) include rates of pay? | <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No | |

| 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>2. 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

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

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:

The site is well organized and provides a full safety feeling even in the most hazardous activities as Toxics warehouse, Secure information signs are largely spread on farm and premises to maintain some good security conditions.

Risk assessment are yearly conducted and up dated.

Full accommodation is provided on site for a large part of male workers. Accommodation are in a good state of structure and conservation was identified. No costs are charged for workers living on site

Records of Health and Safety training were identified such as Tractor use (on 05/12/17), Irrigation operator (08/29/18), Pesticides spraying (on 09/27/2018) Fire drill (07/08/18), First aid Training (07/11/17)

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

Details: Workers and management interviews, review of management system documents and records, visit through the site

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

Please give details: the Company have two health and safety risk assessment **PMMA** (last review 07/2018) and **LTCAT** (last review 10/2018)

| | |
|---|---|
| <p>B: Are the policies included in workers' manuals?</p> | <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <p>Please give details: all details about H&S procedures are communicated during integration meetings for workers</p> |
| <p>C: Are there any structural additions without required permits/inspections (e.g. floors added)?</p> | <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No <p>Please give details: no structural additions observed</p> |
| <p>D: Are visitors to the site informed on H&S and provided with personal protective equipment</p> | <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <p>Details: PPE was available for auditor when visiting technical premises</p> |
| <p>E: Is a medical room or medical facility provided for workers?</p> <p>If yes, do the room(s) meet legal requirements and is the size/number of rooms suitable for the number of workers.</p> | <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No <p>Details: Occupational exams are made on site. Emergency transportation to local hospital is also available if required</p> |
| <p>F: Is there a doctor or nurse on site or there is easy access to first aider/ trained medical aid?</p> | <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <p>Details: First aid training is available for workers. Last training records on 11/07/2017 for example to Adjailson Calvacante Silva or Amanda Raina Oliveira</p> |
| <p>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?</p> | <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <p>Details: Bus available on site such as vehicle KS4508 for exclusive for exclusive onsite use. Last technical review was made on 09/20/18 according to internal process define on Operational process POP GR 49</p> |
| <p>H: Is secure personal storage space provided for workers in their living space and is it fit for purpose?</p> | <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <p>Details: e.g. in the toxics preparing pint where each worker has two private lockers</p> |
| <p>I: Are H&S Risk assessments conducted (including evaluating the arrangements for workers doing overtime e.g. driving</p> | <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <p>Details: Risk analysis written by Sarah Cristina Rodrigues Santos Working Security Officer CREA 210378366</p> |

| | |
|--|--|
| after a long shift) and are there controls to reduce identified risk? | |
| 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 Please give details: Three water licence are available on site Water Licence #1: issued on 06/20/2018 by IGARN nº 324/2018 valid till 2022 Water licence # 2: issued on 03/20/2016 by IGARN nº 137/2016 Valid till 2020 Water licence # 3: issued on 11/29/2018 by IGARN nº 457/2016 Valid till 2010 |
| 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 Please give details: no banned pesticides were identified on fields or in the warehouse during the visit |

Non-compliance:

1. Description of non-compliance:

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

During the visit of the premises, it was seen that they are no MSDS available on the Irrigation preparing point Piscina 01

Local law and/or ETI requirement

ETI Chemical 3.3.1 No material safety data sheet (MSDS) obtained / available Brazilian D.2657 03/07/1998

Recommended corrective action:

As MSDS must be available for the Workers working in contact with chemical products

2. Description of non-compliance:

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

During the visit of the premises it was seen that several electrical board (e.g. irrigation station Piscina 01, Packing house) didn't have any safety identification

Local law and/or ETI requirement:

ETI 3.2.27 Unmarked / incorrect labels / signage / instructions for electrics Brazil NR 10.10.4.1

Recommended corrective action:

All electrical devices must be properly identified

3. Description of non-compliance:

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

Objective evidence observed:

(where relevant please add photo numbers)

Site tour

Site tour
Picture # 4

During review of the management system, no legal fire license or certificate was available on place

Local law and/or ETI requirement:

ETI 3.2.23 Fire license / fire inspection / legal fire certificates not in place

Recommended corrective action:

The facilities must provide all required legal documents

4. Description of non-compliance:

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

During the visit of the premises, it was seen one inward opening door identified as an emergency door

Picture #33

Local law and/or ETI requirement:

ETI 3.2.13 No / inadequate fire exits due to building design / construction e.g. width, fire doors opening inwards / incorrect direction of evacuation flow / sliding doors

Brazil NR 23.2.2

Recommended corrective action:

All emergency doors must open outward

5. Description of non-compliance:

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

During the first visit of the packing house, it was verified that they are no fire exit emergency lightning in the Cold rooms

Picture #26

Local law and/or ETI requirement:

ETI 3.2.16 No fire exit signage including emergency lighting

Brasil NR 23.3

Recommended corrective action:

All security emergency signages required by law must be provided and available on site

Observation: None

Description of observation:

Local law or ETI requirement:

Recommended corrective action:

Objective evidence observed:

Good Examples observed: None

| Description of Good Example (GE): | Objective Evidence Observed: |
|-----------------------------------|------------------------------|
|-----------------------------------|------------------------------|

4: Child Labour Shall Not Be Used

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

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:

They are no child on site and policies are on place to avoid any such possibilities. Youngs workers are available on site but in strictly accordance with local legal requirements. An internal operational process is available to review workers documents. ID copies, Birth certificate, CFP (Brazilian Fiscal IDs) are used to verify and prove the age of hired Workers. Policies against Child labour were communicated to all workers

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

Details: review of workers files, pay slip

Any other comments: None

| | |
|--|---|
| A: Legal age of employment: | 16 |
| B: Age of youngest worker found: | 15 (according to Brazilian apprenticeship agreement with regulation) |
| 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) | 2,48 % |
| 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 If yes, please give details |

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>2. 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> |

5: Living Wages are Paid

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

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:

All workers are paid on a monthly basis with bank cheque from the last two working days of the month until the first 2 worked days of the next month. A part of the salary (40%) is paid on day 15th of each month.

Salary on site are paid upon rates negotiated in 2 different Collective Bargain agreements.

First CBA is negotiated in September of each year with STLM SINDICATO DOS TRABALHADORES DA LAVOURA DE MOSSORO for all workers in the fields with basic agriculture duties. In 2017, the negotiated salary was higher than the Brazilian legal minimum wage (R\$ 954) when workers received an additional of R\$ 12 negotiated by the CBA for a total amount of R\$ 966,00. When conducted the audit, the 2018 CBA had not been negotiated yet

Second CBA is also negotiated in September with SINFRUIT for all workers of administrative staff, packing house or technical functions. In 2018, the negotiated salary is higher than the Brazilian legal minimum wage (R\$ 954) when workers received an additional of R\$ 28 negotiated by the CBA for a total amount of R\$ 982,00.

All wages are detailed on pay slip and workers are aware of salary, extra hours paid and any deductions on a legal or individual decision. They are no additional deductions except trade unions fees when allowed by workers on an individual base.

Mandatory payment of FGTS (Unemployment security Fund) is paid (last register of payment is 2018/11/7 with payment of R\$ 36.569,35 upon legal GRF payment Title). INSS payment (Social security) was also verified through Legal GFS payment order of R\$ 42.407,63.

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

Details: Workers interview, review of pay roll and CBA

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: 2. 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: | |
|--|--|
| Description of Good Example (GE): Workers paid on an upper base than legal requirements Lunch and dinner almost freely provided Commemoratives days offered to workers Emergency and health assistance provided to workers living on site Health prevention training | Objective Evidence Observed: Pays roll and CBA agreements Worker interviews training minutes |

Summary Information

| Criteria | Local Law (Please state legal requirement) | Actual at the Site (Record site results against the law) | Is this part of a Collective Bargaining Agreement? |
|---|--|--|--|
| A: Standard/Contracted work hours: (Maximum legal and actual required working hours excluding overtime, please state if possible per day, week, and month) | Legal maximum: 44h p/weeks 22 days' p/ month | 44h p/weeks 22 days' p/ month | <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No |
| B: Overtime hours: (Maximum legal and actual overtime hours, please state if possible per day, week, and month) | Legal maximum: 2h/days 12h/ week 60h /month | 2h/days 12h/ week 60h /month | <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No |
| C: wage for standard/contracted hours: (Minimum legal and actual minimum wage at site, please state if possible per hr, day, week, and month) | Legal minimum: R\$ 966/ month | R\$ 966/ month | <input checked="" type="checkbox"/> Yes <input 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: R\$ 6,58/ hour (2 first hours) R\$ 7,24/h (any additional hour) | R\$ 6,58/ hour (2 first hours) R\$ 7,24/h (any additional hour) | <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No |

| 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 | |
| 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 workers records checked form month April (low season), July (regular activities) and October (peak season) | |
| C: Are there different legal minimum wage grades? If Yes , please specify all. | <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No | If Yes , please give details: |
| 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 | If No , please give details: |
| E: For the lowest paid production workers, are wages paid for standard/contracted hours | <input type="checkbox"/> Below legal min | Lowest actual wages found: Note: full time employees and please state hour / week / month etc. R\$ 966,00 p/month |

| | | | |
|--|---|---|--|
| (excluding overtime) below or above the legal minimum? | <input type="checkbox"/> Meet <input checked="" type="checkbox"/> Above | 30 days worked /month R\$ 4.39 / hours (total hours worked: 220/month) | |
| F: Please indicate the breakdown of workforce per earnings: | | _____% of workforce earning under min wage _____% of workforce earning min wage 100 % of workforce earning above min wage | |
| F: Bonus scheme found: Please specify details: | Bonus Scheme found: <i>Note: full time employees and please state hour / week / month etc. Only legal Brazilian family was identified as a bonus R\$ 31.71 per child</i> | | |
| H: What deductions are required by law e.g. social insurance? Please state all types: | Social Insurance - INSS: 8% | | |
| I: Have these deductions been made? Please list all deductions that have/have not been made. | <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No | Please list all deductions that have been made. | 1.social security INSS 2. food deduction Please describe: Food deduction is a symbolic cost for workers lunch and dinner at the minimum rate of \$0,50 per lunch or dinner |
| | | 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 | <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 type="checkbox"/> Yes <input checked="" type="checkbox"/> No Please give details: | | |
| 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 checked="" type="checkbox"/> Yes <input type="checkbox"/> No Please specify amount/time: The defined Brazilian living wage is specified by Law: R\$ 954 /month. Workers of the company are paid upon the Collective Bargain Agreement base which define a minimum salary of R\$ 966,00 | | |
| If yes, what was the calculation method used. | <input type="checkbox"/> ISEAL/Anker Benchmarks <input type="checkbox"/> Asia Floor Wage <input checked="" 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: 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 Please give details: in accordance with the yearly CBA review |
| 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 Please give details: it was identified during the review of the worker's pay slip |
| Q: How are workers paid: | <input type="checkbox"/> Cash <input checked="" type="checkbox"/> Cheque <input checked="" type="checkbox"/> Bank Transfer <input type="checkbox"/> Other If other, please explain: |

6: Working Hours are not Excessive

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

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:

Final total of hours worked on site is 44 hours/week according to Brazilian laws. When required Overtime time hours might be done upon an individual choice but never up to 2 hours by day (as required by law.) The CBA offers the option to do one more hour in case of emergency due to necessity. All workers get days off on Sunday.

26 workers were interviewed and three samples times records (mainly April, July and October) were reviewed

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

Details: pay roll and workers interviews, QSM docs

| Non-compliance: None | |
|---|--|
| <p>1. Description of non-compliance:</p> <p><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>2. Description of non-compliance:</p> <p><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: (where relevant please add photo numbers)</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> |

| |
|--------------------------------|
| Working hours' analysis |
|--------------------------------|

| Please include time e.g. hour/week/month (Go back to Key information) | | | | | |
|--|--|--|---|---------------------------------------|--------------------------------|
| Systems & Processes | | | | | |
| A. What timekeeping systems are used: time card etc. | Describe: Time card system (electronic devices is in implementation phase) | | | | |
| B: Is sample size same as in wages section? | <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No 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 | If NO, please give details including % and which type of workers do NOT have standard hours defined in contracts/employment agreements. Please give details: | | | |
| D: Are there any other types of contracts/employment agreements used? | <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No | If YES, please complete as appropriate: As defined in Brazilian law evidence of the working contract can be verified when filled up the Workers Individual's booklet | | | |
| | | <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 | If yes, please detail hours, %, types of workers affected and frequency Please give details: | | | |
| F: Are workers provided with at least 1 day off in every 7-day-period, or 2 in 14-day-period? | 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: | | 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 | If yes, % of workers & frequency: |
| 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 | If yes, please give details: |
| Overtime Hours worked | | |
| I: Actual overtime hours worked in sample (State per day/week/month) | Highest OT hours: | 2h/day 12h/week 40,5 h /month |
| J: Combined hours (standard or contracted + overtime hours = total) over 60 found? Please give details: | <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No Due to an bank holiday worked total weeks hours worked by Aldo Ferreira da Silva on peak season (first week of October) was 63h : 44 regular hours + 9 hours extra paid on 50% base + 10 hours for bank holiday paid at the extra rate of 100% | |
| K: Approximate percentage of total workers on highest overtime hours: | 23% | |
| L: Is overtime voluntary? | <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> Conflicting Information | Please detail evidence e.g. Wording of contract / employment agreement / handbook / worker interviews / refusal arrangements: all workers confirmed that OV is voluntary |
| Overtime Premiums | | |
| M: Are the correct legal overtime premiums paid? | <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A – there is no legal requirement to OT premium | Please give details of normal day overtime premium as a % of standard wages: Regular hours is R\$ 4,39 2 first Extra hours are R\$ 6,58/h Extra hours more: R\$ 7,24: Bank holidays: R\$ 8,78 |
| N: Is overtime paid at a premium? | <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No | If yes, please describe % of workers & frequency: 100% much frequent in peak season |

| | |
|---|---|
| <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> | <div data-bbox="416 219 1492 389"> <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 </div> <div data-bbox="416 389 1492 512"> Please explain any checked boxes above e.g. detail of consolidated pay / CBA or Other </div> <div data-bbox="416 512 1492 696"></div> |
| <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> | <div data-bbox="416 707 1492 920"> <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) </div> <div data-bbox="416 920 1492 1016"> Please explain any checked boxes above e.g. detail of consolidated pay / CBA or other: </div> <div data-bbox="416 1016 1492 1108"> Workers generally want to have overtime but if they don't they are not forced to do so </div> |
| <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> | <div data-bbox="416 1120 1492 1225"> <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No If yes, please give details: </div> <div data-bbox="416 1225 1492 1395"></div> |
| <p>R: If sufficient workers cannot be hired, are new working time arrangements explored to ensure that overtime is the exception rather than the rule.</p> | <div data-bbox="416 1406 1492 1476"> <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No </div> <div data-bbox="416 1476 1492 1673"></div> |

7: No Discrimination is Practiced

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

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 evidence that workers are not equally treated in rights and opportunities as defined in internal politics and checked during workers interviews. Wages are equals for each worker in the same functions as verified during the pay roll review. A policy is available on site in "Política de Ética e Responsabilidade social" AP01 issue 11 on page 48 (Assédio, Práticas Disciplinares, Discriminações)

Workers interviews didn't reveal any form of discrimination

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

Details: workers interviews and QMs documents

Any other comments: None

| | |
|--|---|
| A: Gender breakdown of Management + Supervisors (Include as one combined group) | Male: 73 % Female 27 % |
| B: Number of women who are in skilled or technical roles e.g. where specific qualifications are needed i.e. machine engineer / laboratory analyst: | #: 5 |
| C: Is there any evidence of discrimination based on race, caste, national origin, religion, age, disability, gender, marital status, sexual orientation, union membership or political affiliation?: | <input type="checkbox"/> Hiring <input type="checkbox"/> Compensation <input type="checkbox"/> access to training <input type="checkbox"/> promotion <input type="checkbox"/> termination or retirement |

Professional Development

| | |
|---|----------------------------|
| A: What type of training and development are available for workers? | Health and safety training |
|---|----------------------------|

| | |
|--|---|
| | <ul style="list-style-type: none"> • Agro-toxic sprayers (last one 09/27/2018 for Fabiano Gomes Martins) • Tractor driver training (last one 08/29/2018 for Francisco Genilton Santos) • Irrigation (last one 08/29/2018) for William Fernando Batista • Fire brigade (08/07/18) for Italo Thiago Silva Maria • Fuel provider training (last one 07/27/18) for Fabiano Gomes Martins • Machines maintenance training (last one 03/28/17) provided by BALDAIN IMPLEMENTOS AGRICOLAS <p>Medical and occupational training</p> <ul style="list-style-type: none"> • Disease prevention on 24/11/2016 • Alcoholism prevention on 21/08/2018 • Women and men cancer prevention on 18/10/2018 <p>Social and ethical training</p> <ul style="list-style-type: none"> • ETI training on 23/07/2018 example: Antonio Pascoal Costa |
|--|---|

| | |
|---|--|
| <p>B: Are HR decisions e.g. promotion, training, compensation based on objective, transparent criteria?</p> | <p><input checked="" type="checkbox"/> Yes</p> <p><input type="checkbox"/> No</p> <p>If no, please give details:</p> |
|---|--|

| Non-compliance: None | |
|--|--|
| <p>1. Description of non-compliance:</p> <p><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>2. Description of non-compliance:</p> <p><input type="checkbox"/> NC against ETI <input type="checkbox"/> NC against Local Law <input type="checkbox"/> NC against customer code:</p> | <p>Objective evidence observed:</p> <p><i>(where relevant please add photo numbers)</i></p> |

| | |
|---|--|
| <p>Local law and/or ETI requirement:</p> <p>Recommended corrective action:</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> |

8: Regular Employment Is Provided

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

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:

The farm has its own hiring department. It doesn't work with employment agencies. Most of workers are temporary workers with contract from 3 to 5 months and they are hired again the year after. Oldest workers are working this way since 10 to 14 years.

No fees are paid by workers when entering the hiring process. All workers are aware of the hiring conditions. The company detailed these conditions in the Individual worker's booklet (carteira de trabalho).

Workers files included all required documentation as defined on its POLITICA DE ÉTICA E RESPONSABILIDADE SOCIAL AP01 issued 11 on page 47

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

Details: Workers files and pay roll, workers interviews

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>2. 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>If any are unchecked, please describe finding and specific category(ies) of workers affected:</p> |

| | |
|---|--|
| B: Did workers pay any fees, taxes, deposits or bonds for the purpose of recruitment/placement? | <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No If yes, please describe details and specific category(ies) of workers affected: |
| 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 – please give details |
| D: If any checked, give details: | |

| | | |
|---|---|--------------|
| Migrant Workers: N/A <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 and where they do not intend to remain permanently 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: | They are no migrant workers on site | |
| B: Migrant worker recruitment | Total number of (in country recruitment agencies) used: 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? | <input type="checkbox"/> Yes <input type="checkbox"/> No Please describe finding: | Observations |
| D: Are any migrant workers in skilled, technical, or management roles <i>Migrant Workers (this should include all migrant workers including permanent</i> | <input type="checkbox"/> Yes <input type="checkbox"/> No If yes number and example of roles: | |

workers, temporary and/or seasonal workers)

NON-EMPLOYEE WORKERS

Not applicable

Recruitment Fees:

A: Are there any fees?

- ☐
- Yes
-
- ☐
- No

B: If yes, check all that apply:

- ☐
- Recruitment / hiring fees
-
- ☐
- Service fees
-
- ☐
- Application costs
-
- ☐
- Recommendation fees
-
- ☐
- Placement fees
-
- ☐
- Administrative, overhead or processing fees
-
- ☐
- Skills tests
-
- ☐
- Certifications
-
- ☐
- Medical screenings
-
- ☐
- Passports/ID's
-
- ☐
- Work / resident permits
-
- ☐
- Birth certificates
-
- ☐
- Police clearance fees
-
- ☐
- Any transportation and lodging costs after employment offer
-
- ☐
- Any transport costs between work place and home
-
- ☐
- Any relocation costs after commencement of employment
-
- ☐
- New hire training / orientation fees
-
- ☐
- Medical exam fees
-
- ☐
- Deposit bonds or other deposits
-
- ☐
- Any other non-monetary assets
-
- ☐
- Other – please give details

C: If any checked, give details:

Agency Workers (if applicable)

(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.)

A: Number of agencies used (average):

Names if available: N/A

B: Were agency workers' age / pay / hours included within the scope of this audit?

- ☐
- Yes
-
- ☐
- No

C: Were sufficient documents for agency workers available for review?

- ☐
- Yes
-
- ☐
- No

D: Is there a legal contract / agreement with all agencies?

- ☐
- Yes
-
- ☐
- No

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>Please give details:</p> |
|---|---|

| <p align="center">Contractors:</p> <p><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> | |
|--|--|
| <p>A: Any contractors on site?</p> | <p><input type="checkbox"/> Yes <input checked="" type="checkbox"/> No</p> <p>If yes, how many contractors are present, please give details:</p> |
| <p>B: If Yes, how many workers supplied by contractors?</p> | |
| <p>C: Do all contractor workers understand their terms of employment?</p> | <p><input type="checkbox"/> Yes <input type="checkbox"/> No</p> <p>Please describe finding:</p> |
| <p>D: If Yes, please give evidence for contractor workers being paid per law:</p> | |

8A: Sub-Contracting and Homeworking:

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

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: not applicable as there is no homeworking nor sub contacting (prohibited by the local CBA)

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

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

| Process Subcontracted | Process 1 | Process 2 |
|-----------------------|-----------|-----------|
| Name of factory | | |
| Address | | |

| Process Subcontracted | Process 3 | Process 4 |
|-----------------------|-----------|-----------|
| Name of factory | | |
| Address | | |

Details: None

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 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 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 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 If Yes , summarise details: | | |
| B: Number of homeworkers | Male: | Female: | Total: |
| C: Are homeworkers employed direct or through agents? | <input type="checkbox"/> Directly <input type="checkbox"/> Through Agents | | 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 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

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

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 type="checkbox"/> Yes <input checked="" type="checkbox"/> No Please describe: |
| B: If Yes , are workers aware of these channels and have access? Please give details. | All workers know there is a suggestion box system available on site |
| C: If yes, what type of mechanism is used e.g. hotline, whistle blowing mechanism, comment box etc. Please give details. | A suggestion box is available in the canteen |
| D: Which of the following groups is there a grievance mechanism in place for? | <input checked="" type="checkbox"/> Workers <input type="checkbox"/> Communities <input type="checkbox"/> Suppliers <input type="checkbox"/> Other Please give Details: |
| E: Are there any open disputes? | <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No 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. help lines or whistle blowing mechanism)? | <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No If no, please give details |
| G: Is there a published and transparent disciplinary procedure? | <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No If no, please explain |
| H: If yes, are workers aware of these the disciplinary procedure? | <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No 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 If yes, please give details |
|---|---|

| |
|--|
| Current Systems and Evidence Examined <i>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.</i> |
| Current systems: During workers interviews, no comments were made about verbal or physical abuses on site. No issues of sexual harassment were reported during the same interviews. A policy against harassment is available in Política de Ética e de Responsabilidade social AT01 issue 11 Evidence examined – to support system description (Documents examined & relevant comments. Include renewal/expiry date where appropriate): Details: workers file and 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: |
|-----------------------------------|------------------------------|
|-----------------------------------|------------------------------|

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:

No immigrated workers are hired on site. Entitlement to work is included in in Política de Ética e de Responsabilidade social AT01 issue 11 on page 47. Workers file included all ID's and legal documents to prove that workers hired are in a legal condition.

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

Details: workers file reviews, QSM documents reviews

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:

Local law and/or ETI /Additional Elements requirement:

Recommended corrective action:

2. Description of non-compliance:

☐ NC against ETI/Additional Elements

☐ NC against Local

☐ 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: |

10. Other issue areas 10B2: Environment 2-Pillar

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

To be completed for a 2-Pillar SMETA Audit, and remove the following page which is 10B4 environment 4 pillar

10B2.1 Suppliers must comply with the requirements of local and international laws and regulations including having necessary permits.

10B2.2 The supplier should be aware of and comply with their end clients' environmental requirements. Note for auditors and readers, This is not a full environmental assessment but a check on basic systems and management approach.

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 is clean and well organized. Recycling bins and waste cans are spread over the site. The farm presented all environmental licences and documentations Plastic waste or empty toxics cans are collected and then take away by licensed company. Empty toxic cans are collected in a segregated point according to local legal requirements.

An environmental plan and related procedures are available on site:
environmental plan with documents such as:

- Plan against risk of contamination ANRC 04 issued on 07/08/18
- Water analysis risk assessment ANRC 01 ISSUED ON 03/09/18
- Waste assessment plan PNAC01 issued on 06/08/18
- Environmental Impacts plan PNAC04 issued on 06/08/18
- Forbidden products PNAC2 issued on 06/08/18
- Environmental Preservation plan PNAC4 issued on 06/08/18

Last minute of collect was verified with minute from ACASA on 14/11/2018 register for 6656 empty toxic cans. Collect is mainly twice a year or anytime Other type of waste as paper or paper boxes are collect by an external service provider: KIERATTA EIRELLI ME. Last minute on 01/09/2018 through certificate #0901/2018 (80 tonnes of paper collected).

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

Details: Visit of the premises, waste delivery registries and Environmental Politics on place

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 Law 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: |

| |
|---|
| Other Findings Outside the Scope of the Code |
| None |

| |
|--|
| Community Benefits <i>(Please list below any specific community benefits that the site management stated that they were involved in, for example, HIV programme, education, sports facilities)</i> |
| 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

NOTE: The provisions of the ETI base Code constitute minimum and not maximum standards, and this code should not be used to prevent companies from exceeding these standards. Companies applying the ETI Base Code are expected to comply with national and other applicable law and, where the provisions of law and the ETI Base Code address the same subject, to apply that provision which affords the greater protection.

Instruction to Audit Company: fill in the relevant clauses from the Customer Supplier Code - where applicable.

ETI Code / Additional Elements

Customer's Supplier Code equivalent

0.A. Universal Rights covering UNGP

0.A. Universal Rights covering UNGP

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.

0.B. Management Systems & Code Implementation

0.B. Management Systems & Code Implementation

0.1 Suppliers are expected to implement and maintain systems for delivering compliance to this Code.

| | |
|--|---|
| <p>0.2 Suppliers shall appoint a senior member of management who shall be responsible for compliance with the Code.</p> <p>0.3 Suppliers are expected to communicate this Code to all employees.</p> <p>0.4 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> | |
| ETI 1. Forced Labour | ETI 1. Forced Labour |
| <p>1.1 There is no forced, bonded or involuntary prison labour.</p> <p>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.</p> | |
| ETI 2. Freedom of association and the right to collective bargaining are respected | ETI 2. Freedom of association and the right to collective bargaining are respected |
| <p>2.1 Workers, without distinction, have the right to join or form trade unions of their own choosing and to bargain collectively.</p> <p>2.2 The employer adopts an open attitude towards the activities of trade unions and their organisational activities.</p> <p>2.3 Workers' representatives are not discriminated against and have access to carry out their representative functions in the workplace.</p> <p>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.</p> | |
| ETI 3. Working conditions are safe and hygienic | ETI 3. Working conditions are safe and hygienic |
| <p>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.</p> <p>3.2 Workers shall receive regular and recorded Health & Safety training, and such training shall be repeated for new or reassigned workers.</p> <p>3.3 Access to clean toilet facilities and to potable water, and, if appropriate, sanitary facilities for food storage shall be provided.</p> | |

| | |
|--|---|
| <p>3.4 Accommodation, where provided, shall be clean, safe, and meet the basic needs of the workers.</p> <p>3.5 The company observing the code shall assign responsibility for Health & Safety to a senior management representative.</p> | |
| ETI 4. Child labour shall not be used | ETI 4. Child labour shall not be used |
| <p>4.1 There shall be no new recruitment of child labour.</p> <p>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.</p> <p>4.3 Children and young persons under 18 shall not be employed at night or in hazardous conditions.</p> <p>4.4 These policies and procedures shall conform to the provisions of the relevant ILO Standards.</p> | |
| ETI 5. Living wages are paid | ETI 5. Living wages are paid |
| <p>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.</p> <p>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.</p> <p>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.</p> | |
| ETI 6. Working Hours are not excessive | ETI 6. Working Hours are not excessive |
| <p>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.</p> <p>6.2 Working hours, excluding overtime, shall be defined by contract, and shall not exceed 48 hours per week.</p> <p>6.3 All overtime shall be voluntary. Overtime shall be used responsibly, taking into account all the</p> | |

| | |
|---|--|
| <p>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.</p> <p>6.4 The total hours worked in any 7 day period shall not exceed 60 hours, except where covered by clause 6.5 below.</p> <p>6.5 Working hours may exceed 60 hours in any 7 day period only in exceptional circumstances where all of the following are met:</p> <ul style="list-style-type: none"> – 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. <p>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.</p> | |
| ETI 7. No discrimination is practised | ETI 7. No discrimination is practised |
| <p>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.</p> | |
| ETI 8. Regular employment is provided | ETI 8. Regular employment is provided |
| <p>8.1 To every extent possible work performed must be on the basis of recognised employment relationship established through national law and practice.</p> <p>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.</p> | |

| | |
|--|---|
| <p>Additional Elements: Responsible Recruitment</p> <p>8.3 Suppliers have full understanding of the entire recruitment process and assess all labour recruiters and intermediaries against legal and/or ethical requirements.</p> <p>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.</p> <p>8.5 Employment agencies must only supply workers registered with them.</p> <p>8.6 Workers pay no recruitment fee at any stage of the recruitment process.</p> <p>8.7 Worker contracts accurately reflect the agreed payment and terms in the recruitment process and are understood and signed by workers.</p> | |
| 8A: Sub-Contracting and Homeworking | 8A: Sub-Contracting and Homeworking |
| <p>8A.1 There should be no sub-contracting unless previously agreed with the main client.</p> <p>8A.2 Systems and processes should be in place to manage sub-contracting, homeworking and external processing.</p> | |
| ETI 9. No harsh or inhumane treatment is allowed | ETI 9. No harsh or inhumane treatment is allowed |
| <p>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.</p> <p>Additional elements:</p> <p>9.2 companies should provide access to a confidential grievance mechanism for all workers</p> | |
| 10. Other Issue areas: 10A: Entitlement to Work and Immigration | |
| <p>Additional Elements</p> <p>10A.1 Only workers with a legal right to work shall be employed or used by the supplier.</p> <p>10A.2 All workers, including employment agency staff, must be validated by the supplier for their legal right to work by reviewing original documentation.</p> | |
| 10. Other issue areas 10B2: Environment 2-Pillar | |
| <p>10B2.1 Suppliers must comply with the requirements of local and international laws and regulations including having necessary permits.</p> | |

| | |
|--|--|
| 10B2.2 The supplier should be aware of and comply with their end clients' environmental requirements. <i>Note for auditors and readers, This is not a full environmental assessment but a check on basic systems and management approach.</i> | |
|--|--|

| SMETA Extra Sections for 4 Pillar Audit: | SMETA Extra Sections for 4 Pillar Audit: |
|--|--|
| Environment Section | Environment Section |
| 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. | |
| Business Practices Section | |
| 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






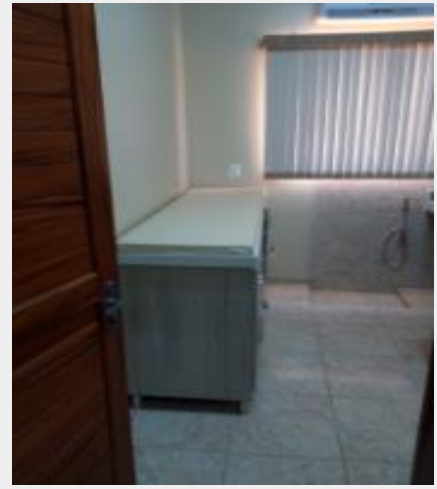
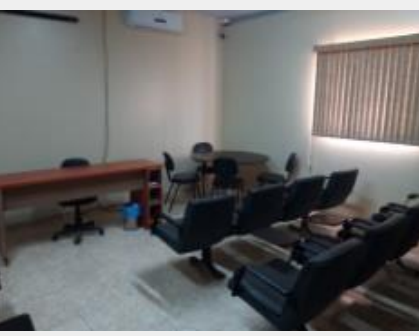


10C.8 Businesses should communicate their Business Ethics policy, covering bribery, corruption, or any type of fraudulent Business Practice to all appropriate parties, including its own suppliers.










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.

Photo Form

| | | |
|---|--|---|
|  |  |  |
| #1 Farm main entrance | #2 General view of the farm | #3 Machinery area |
|  |  |  |
| #4 NC: electrical device without emergency signs (Piscina 1) | #5 General security instructions Irrigation area | #6 Irrigation area |
|  |  |  |
| #7 workers toilets in the fields | #8 hygiene instructions on toilets | #9 Gas station |

| | | |
|---|--|---------------------------------------|
| | | |
| #10 fire extinguisher device on Gas station | #11 Toxic mixture point | #12 Toxic warehouse |
| | | |
| #13 Toxic mixture point Safety instructions | #13 Toxic mixture point Safety washing devices | #13 Toxic mixture point First aid kit |
| | | |
| #14 Empty toxic can collect point | #15 Fertilizers warehouse | #16 Fertilizer warehouse |

| | | |
|---|--|---|
|  |  |  |
| <p># 17 NC Electric Board without security signs in Mechanic area</p> | <p># 18 Workers Canteen</p> | <p>#19 Suggestion Box in canteen</p> |
|  |  |  |
| <p>#20 ETI code displayed at Canteen</p> | <p># 21 Time card board</p> | <p>#22 Medical room</p> |
|  |  |  |
| <p># 23 Training room</p> | <p>#24 security emergency sign at pack house</p> | <p>#25 fire extinguishers at pack house</p> |

| | | |
|---|--|---|
|  |  |  |
| <p># 26 NC: no electrical signage in cold rooms</p> | <p># 27 Fire hydrant at pack house</p> | <p># 28 Emergency stop button on machinery at pack house</p> |
|  |  |  |
| <p># 29 Security signs at pack house</p> | <p># 30 Workers lockers at pack house</p> | <p># 31 Hygienic point at pack house</p> |
|  |  |  |
| <p># 32 Chilled water at pack house</p> | <p>#33 NC emergency inward opening door</p> | <p># 34 Emergency stop button on tray conveyor</p> |



35 Worker accommodation dining room



36 Worker accommodation First aid kit



37 Worker accommodation Worker room



38 Worker accommodation Bathroom



39 Worker accommodation Shower



34 Worker accommodation Chilled water



For more information visit: [Sedexglobal.com](https://www.sedexglobal.com)

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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http://www.surveymonkey.com/s.aspx?sm=riPsbE0PQ52ehCo3lnq5lw_3d_3d

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