SMETA

# Sedex Members Ethical Trade Audit Report

## Version 6.1

| **Audit Details** | | | |
|---|---|---|---|
| Sedex Company Reference: *(only available on Sedex System)* | ZC1015965 | Sedex Site Reference: *(only available on Sedex System)* | ZS1080101 |
| Business name (Company name): | VERDIMED S.A.U | | |
| Site name: | VERDIMED S.A.U | | |
| Site address: *(Please include full address)* | POLIGONO INDUSTRIAL LOS URREAS S/N SAN JAVIER 30730 MURCIA | Country: | SPAIN |
| Site contact and job title: | Yolanda Moreno – Quality Management system | | |
| Site phone: | +34 968 19 02 38 | Site e–mail: | ymoreno@verdimed.com |
| SMETA Audit Type: | ☒ Labour Standards | ☒ Health & Safety | ☐ Environment ☐ Business Ethics |
| Date of Audit: | 20/11/2020 | | |

| **Audit Company Name & Logo:** | **Report Owner (payer):** |
|---|---|
| SGS | **VERDIMED SAU** |

| **Audit Conducted By** | | | | | |
|---|---|---|---|---|---|
| Commercial | ☒ | Purchaser | ☐ | Retailer | ☐ |
| Brand owner | ☐ | NGO | ☐ | Trade Union | ☐ |
| Multi–stakeholder | ☐ | 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 6.1 was applied. The scope of workers included all types at the site e.g. direct employees, agency workers, workers employed by service providers and workers provided by other contractors. Any deviations from the SMETA Methodology are stated (with reasons for deviation) in the SMETA Declaration.

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

**2-Pillar SMETA Audit**

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

**4-Pillar SMETA**

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

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

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

# SMETA Declaration

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

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

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

Any exceptions to this must be recorded here (e.g. different sample size):

Auditor Team (s) (please list all including all interviewers):
Lead auditor: PILAR ORDEN
Lead auditor APSCA status: RA21702370
Team auditor: ELENA ROBLES
ASPCA number: ASCA21705037

Interviewers: PILAR ORDEN _ APSCA number: RA21702370 – ELENA ROBLES _ APSCA number: ASCA21705037
Report writer: PILAR ORDEN_ APSCA number: RA21702370
Report reviewer:

Date of declaration: 20/11/2020
*Note: The focus of this ethical audit is on the ETI Base Code and local law. The additional elements will not be audited in such depth or scope, but the audit process will still highlight any specific issues.*

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

# Summary of Findings

| **Issue** *(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 | | | ☐ | ☐ | | | | • None Observed |
| 0B | Management systems and code implementation | | ☐ | ☐ | ☐ | | | | • *None Observed* |
| 1. | Freely chosen Employment | ☐ | ☐ | | ☐ | | | | • None Observed |
| 2 | Freedom of Association | ☐ | ☐ | | ☐ | | | | • None Observed |
| 3 | Safety and Hygienic Conditions | ☒ | ☒ | | ☐ | 1 | 1 | | • Company has performed a fire drill only in morning shift. Last fire drill performed in October 20<br>• It was found a Fire extinguisher placed higher than allowed by law |
| 4 | Child Labour | ☐ | ☐ | | ☐ | | | | • None Observed |
| 5 | Living Wages and Benefits | ☐ | ☐ | | ☐ | | | | • None Observed |

| | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|
| 6 | Working Hours | ☒ | ☒ | | ☐ | 1 | | | • It was found 2 workers from 26 files reviewed that perform more than 11 hours per day in January and March 20 (2 consecutive days) and the maximum as per CBA is 10 hours. |
| 7 | Discrimination | ☐ | ☐ | | ☐ | | | | • None Observed |
| 8 | Regular Employment | ☐ | ☐ | ☐ | ☐ | | | | • None Observed |
| 8A | Sub–Contracting and Homeworking | | ☐ | ☐ | ☐ | | | | • None Observed |
| 9 | Harsh or Inhumane Treatment | ☐ | ☐ | ☐ | ☐ | | | | • None Observed |
| 10A | Entitlement to Work | | ☐ | ☐ | ☐ | | | | • None Observed |
| 10B2 | Environment 2-Pillar | | ☐ | ☐ | ☐ | | | | • None Observed |
| 10B4 | Environment 4–Pillar | | ☐ | ☐ | ☐ | | | | • None Observed |
| 10C | Business Ethics | | ☐ | ☐ | ☐ | | | | • None Observed |

General observations and summary of the site:

VERDIMED SAU set up in 1987, but was in 1992 when started to named Verdimed, before belong to Martin Navarro group. They are handling the products of his fields located in Murcia and Alicante. Facility is sited in San Javier (Murcia) where vegetable products are handling.

The audit process was to crosscheck various sources of information to evaluate conformance with the ETI Base Code and local legislations. An opening meeting was held on day 1st which was attended by

- Yolanda Moreno– Quality System Manager
- Antonio Huescar – Quality Manager

The Scope of audit was the activity of Process and packaging of spinach, broccoli, cauliflower, romanesco, kale

The auditor introduced the auditor team and explained the purpose and scope of the audit, including potential benefits to the site. After the opening meeting, a site tour was done to the facility

The company agreed that SGS auditor conducted confidential interviews with workers who were chosen freely without influence from managers. Employees were interviewed about their working conditions. The interviewees showed a cooperative attitude and effective evidence was collected during the workers interview. Most employees were satisfied with working conditions and benefits.

During closing meeting, the auditor explained the SMETA CAPR

A copy of the SMETA Corrective Action Plan was provided to Company

The auditor thanked management for their time and contribution and reconfirmed the purpose and scope of the assessment.

**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: | VERDIMED S.A.U | |
| B: Site name: | VERDIMED S.A.U | |
| C: GPS location:<br>(If available) | Spain | Latitude: 37°48'43.5"N<br>Longitude: 0°50'23.0"W |
| D: Applicable business and other legally required licence numbers and documents, for example, business license number, liability insurance, any other required government inspections | CIF (fiscal identification number): F04034831<br>Business license approved by City Council of Murcia since 1985<br><br>Sanitary register number: 21.4512-MU<br>Liability insurance: RSG12000373 – GENERALI | |
| E: Products/Activities at site, for example, garment manufacture, electricals, toys, grower, cutting, sewing, packing etc | Process and packaging of spinach, broccoli, cauliflower, Romanesco, kale, | |
| F: Site description:<br>(Include size, location, and age of site. Also, include structure and number of buildings) | In the 1980s, the Martinavarro company, a leading citrus company, continued its expansion by starting the production and marketing of vegetables. In 1987, seeking a better climate, the vegetable production was transferred to Murcia.<br>in 1991, when the Verdimed company was born, dedicated mainly to the production and marketing of fresh vegetables. Since that date, Verdimed has been managed and financed independently.<br><br>The 95% of their product goes to international market and only 5 % to local market.<br><br>There is a building with a surface of 13000 square meters approx. | |

| Production Building no | Description | Remark, if any |
|---|---|---|
| Floor 1 | Packhouse (with 7 production lines) and 12 cold rooms. | - |
| Floor 2 | Office | - |

Annual production capacity: 14.000.000 kg approx. per year.

The population layout of the company: 338

For below, please add any extra rows if appropriate.

F1: Visible structural integrity issues (large cracks) observed?
☐ Yes
☒ No

| | |
|---|---|
| | F2: Please give details:<br><br>F3: Does the site have a structural engineer evaluation?<br>☐ Yes<br>☒ No<br>F4: Please give details:<br>Details: N/A |
| G: Site function: | ☐ Agent<br>☐ Factory Processing/Manufacturer<br>☐ Finished Product Supplier<br>☐ Grower<br>☐ Homeworker<br>☐ Labour Provider<br>☒ Pack House<br>☐ Primary Producer<br>☐ Service Provider<br>☐ Sub–Contractor |
| H: Month(s) of peak season:<br>(if applicable) | From November to April |
| I: Process overview:<br>*(Include products being produced, main operations, number of production lines, main equipment used)* | Entrance → processing (filming, fitting) → expedition |
| J: What form of worker representation / union is there on site? | ☒ Union CCOO – UGT - REDES<br>☒ Worker Committee<br>☐ Other (Open door policy, suggestion and grievance box and worker representative)<br>☐ None |
| K: Is there any night production work at the site? | ☐ Yes<br>☒ No |
| L: Are there any on site provided worker accommodation buildings e.g. dormitories | ☐ Yes<br>☒ No<br>If yes approx. % of workers in on site accommodation |
| M: Are there any off site provided worker accommodation buildings | ☐ Yes<br>☒ No<br>If Yes approx. % of workers |
| N: Were all site-provided accommodation buildings included in this audit | ☐ Yes<br>☐ No<br>If No, please give details N/A |

| **Audit Parameters** | | | |
|---|---|---|---|
| A: Time in and time out | Day 1 Time in: 09:00<br>Day 1 Time out: 16:00 | Day 2 Time in:<br>Day 2 Time out: | Day 3 Time in:<br>Day 3 Time out: |
| B: Number of Auditor Days Used: | 2 Auditor X 1 Manday | | |
| C: Audit type: | ☒ Full Initial<br>☐ Periodic<br>☐ Full Follow–up<br>☐ Partial Follow–Up<br>☐ Partial Other – Define | | |
| D: Was the audit announced? | ☒ Announced<br>☐ Semi – announced: Window detail:<br>☐ Unannounced | | |
| E: Was the Sedex SAQ available for review? | ☒ Yes<br>☐ No<br>If No, why not: | | |
| F: Any conflicting information SAQ/Pre-Audit Info to Audit findings? | ☐ Yes<br>☒ No<br>If **Yes**, please capture detail in appropriate audit by clause | | |
| G: Who signed and agreed CAPR *(Name and job title)* | Yolanda Moreno – Quality system Manager | | |
| H: Is further information available *(if Y please contact audit company for details)* | ☐ Yes<br>☒ No | | |
| I: Previous audit date: | NA | | |
| J: Previous audit type: | NA | | |
| K: Was any previous audit reviewed during this audit | ☐ Yes ☐ No<br>☒ N/A | | |

| Audit attendance | Management | Worker Representatives | |
|---|---|---|---|
| | Senior management | Worker Committee representatives | Union representatives |
| A: Present at the opening meeting? | ☒ Yes ☐ No | ☐ Yes ☒ No | ☐ Yes ☒ No |
| B: Present at the audit? | ☒ Yes ☐ No | ☒ Yes ☐ No | ☐ Yes ☒ No |
| C: Present at the closing meeting? | ☒ Yes ☐ No | ☐ Yes ☒ No | ☐ Yes ☒ No |
| D: If Worker Representatives were not present please explain reasons why *(only complete if no worker reps present)* | | | |
| E: If Union Representatives were not present please explain reasons why: *(only complete if no union reps present)* | | | |

# 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 | 80 | 0 | 0 | 53 | 0 | 0 | 0 | 133 |
| Worker numbers – female | 116 | 0 | 0 | 89 | 0 | 0 | 0 | 205 |
| Total | 196 | 0 | 0 | 142 | 0 | 70 | 0 | 338 |
| | | | | | | | | |
| Number of Workers interviewed – male | 3 | 0 | 0 | 2 | 0 | 0 | 0 | 5 |
| Number of Workers interviewed – female | 11 | 0 | 0 | 10 | 0 | 0 | 0 | 21 |
| Total – interviewed sample size | 14 | 0 | 0 | 12 | 0 | 0 | 0 | 26 |

| | | |
|---|---|---|
| A: Nationality of Management | Spanish | |
| B: Please list the nationalities of all workers, with the three most common nationalities listed first.<br>*Please add more nationalities as applicable to site. Add more rows if required.* | Nationalities for both companies:<br>B1: Nationality 1: Spanish<br>Nationality 2 : Morocco<br>Nationality 3 : Ecuador<br>Nationality 4: Rumanian | Was the list completed during peak season?<br>☒ Yes<br>☐ No<br><br>If no, please describe how this may vary during peak periods: |
| C: Please provide more information for the three most common nationalities. | Country 1: Spain approx. 57,9 % total workforce<br>Country 2: Morocco approx. 25,74 % total workforce<br>Conutry 3 : Ecuador approx. 9,47 % total workforce<br>Country 4 : Rumanian approx. 2,07% total workforce<br>Country 11: French<br>Country 12: Maliense<br>Country 13: Peruana<br>Country 14: Senegalesa<br>Country 15 : Rusa | |

| | |
|---|---|
| D: Worker remuneration<br>*(management information)* | D: _____ % workers on piece rate<br>D1: 95 % hourly paid workers<br>D2: 5 % salaried workers<br>Payment cycle:<br>D3: _____% daily paid<br>D4: % weekly paid<br>D5: 100 % monthly paid<br>D6: % other (*)<br>D7: If other, please give details: (*) |

| **Worker Interview Summary** | | |
|---|---|---|
| A: Were workers aware of the audit? | ☒ Yes<br>☐ No | |
| B: Were workers aware of the code? | ☒ Yes<br>☐ No | |
| C: Number of group interviews:<br>*(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)* | 4 groups of 4 workers | |
| D: Number of individual interviews<br>*(Please see SMETA Best Practice Guidance and Measurement Criteria)* | Male: 4 | Female: 6 |
| 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.<br>*Note to auditor: please record details of migrant /agency/contractor workers in section 8 – Regular Employment, under Responsible Recruitment* | ☒ Yes<br>☐ No<br><br>If N, please give details: | |
| F: Interviews were done in private and the confidentiality of the interview process was communicated to the workers? | ☒ Yes<br>☐ No | |
| G: In general, what was the attitude of the workers towards their workplace? | ☒ Favourable<br>☐ Non–favourable<br>☐ Indifferent | |
| H: What was the most common worker complaint? | There was not any complaint. | |
| I: What did the workers like the most about working at this site? | Payment on time, good environment and close to home. | |
| J: Any additional comment(s) regarding interviews: | No additional comment. | |
| K: Attitude of workers to hours worked: | Positive | |

| L. Is there any worker survey information available? |
|---|
| ☐ Yes<br>☒ No<br>*If Yes, please give details:* |

| M: Attitude of workers:<br>*(Include their attitude to management, workplace, and the interview process. Both positive and negative information should be included) Note: Do not document any information that could put workers at risk* |
|---|
| During the audit, a sample of employees were interviewed to represent the workforce in terms of age, gender, and various departments.<br>Interviews were conducted on site in a private room without management presence. Respecting the Covid-19 protocols.<br>Interviewed workers were comfortable to answer questions and provided an unanimously positive view of the company culture, management and facilities, describing the company as a good place to work.<br>Positive comment was made towards safety. |
| N: Attitude of worker's committee/union reps:<br>*(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* |
| Positive, good working atmosphere. The representative stated that the Committee have frequently communication between management and them. |
| O: Attitude of managers:<br>*(Include attitude to audit, and audit process. Both positive and negative information should be included)* |
| Management were co-operative throughout the audit and provided all requested information.<br>A site tour was facilitated with access granted to all areas internal and external.<br>Workers interviews were arranged and in a confidential room provided.<br>Overall management gave a positive approach to the 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:**

The company has a well detailed social compliance and human rights procedure covering all ILO fundamental Conventions.
The company has implemented a grievance system in place in order to allow workers to raise their complaints regarding human rights issues and even inform workers to the option to go to the official Spanish organisms responsible for these rights.

In addition, the company has also a procedure to monitor their supply chain and a worker a charge of these issues.

The company has implanted a social responsibility policy.

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

Details: Documentary review, management interview.

| | |
|---|---|
| A: Policy statement that expresses commitment to respect human rights? | ☒ Yes<br>☐ No<br>Please give details: The company follows CBA and Worker Statutes. |

| | |
|---|---|
| B: Does the business have a designated person responsible for implementing standards concerning Human Rights? | ☒ Yes<br>☐ No<br><br>Please give details: Administration department.<br>Names: Marta Garrido<br>Job title: HHRR 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? | ☒ Yes<br>☐ No<br>Please give details: There is a suggestion box, App and open door policy, |
| D: Does the grievance mechanism meet UNGP expectations? (Legitimate, Accessible, Predictable, Equitable, Transparent, Rights-compatible, a source of continuous learning and based on stakeholder engagement) | ☒ Yes<br>☐ No<br>D1: If no, please give details: There is a suggestion and grievance box and App. |
| D: Does the business demonstrate effective data privacy procedures for workers' information, which is implemented? | ☒ Yes<br>☐ No<br><br>Please give details: Personal records were kept at each employee's personal files. Administration department was responsible data privacy. |

| **Findings** | |
|---|---|
| **Finding: Observation** ☐ **Company NC** ☐<br><br>**Description of observation:**<br><br>None Observed<br><br>**Local law or ETI/Additional elements / customer specific requirement:**<br><br>**Comments:** | **Objective evidence observed:** |

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

# Measuring Workplace Impact

| Workplace Impact | | |
|---|---|---|
| A: Annual worker turnover:<br>Number of workers leaving in last 12 months as a % of average total number of workers on site over the year (annual worker turnover) | A1: El año pasado: 2019<br>27,96% | A2: Este año: 2020<br>28.83% |
| B: Current % quarterly (90 days) turnover:<br>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 1st day of 90 day period + number of employees on the last day of the 90 day period) / 2] | 1.67% | |
| C: Annual % absenteeism:<br>Number of days lost through job absence in the year / [(number of employees on 1st day of the year + number employees on the last day of the year / 2]<br>* number available workdays in the year | C1: El año pasado: 2019<br>7.11% | C2: Este año: 2020<br>8.31% |
| D: Quarterly (90 days) % absenteeism:<br>Number of days lost through job absence in the period /<br>[(Number of employees on 1st of the period + Number of employees on the last day of the period / 2]<br>* Number of available workdays in the month | 11.23% | |
| E: Are accidents recorded? | ☒ Yes<br>☐ No<br>E1: Please describe: The company has a process to record and investigate. | |
| F: Annual Number of work related accidents and injuries per 100 workers:<br>[Number of work related accidents and injuries * 100) / Number of total workers] | F1: El año pasado: 2019<br>Número: 5,83 % | F2: Este año: 2020<br>Número: 7,90 % |
| G: Quarterly (90 days) number of work related accidents and injuries per 100 workers:<br>[Number of work related accidents and injuries * 100) / Number of total workers] | 2,91 % | |
| H: Lost day work cases per 100 workers:<br>[(Number of lost days due to work accidents and work related injuries * 100) / Number of total workers] | H1: El año pasado: 2019<br><br>80,41 Días | H2: Este año: 2020<br><br>94,58 Días |
| I: % of workers that work on average more than 48 standard hours / week in the last 6 / 12 months: | I1: 6 meses<br>2.70 % trabajadores | I2: 12 meses<br>6.35% trabajadores |
| J: % of workers that work on average more than 60 total hours / week in the last 6 / 12 months: | J1: 6 meses<br>0 % trabajadores | J2: 12 meses<br>1.30 % trabajadores |

| **0B: Management system and Code Implementation**<br>*(click here to return to NC Table)* |
|---|
| 0.B.1 Suppliers are expected to implement and maintain systems for delivering compliance to this Code.<br>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<br>0.B.3 Suppliers shall appoint a senior member of management who shall be responsible for compliance with the Code.<br>0.B.4 Suppliers are expected to communicate this Code to all employees.<br>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**<br>*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:**<br><br>The company has got a Code implemented in the company. Moreover, they have appointed a member of management who is the responsible for compliance with these issues.<br><br>The Code of Conduct has been communicated to workers and suppliers and it is published. The company has an own social responsibility policy is based on the code.<br><br>In addition, the pack house has approved the business license by the authority (City Council of Murcia ) since 1985)<br><br>**Evidence examined – to support system description (Documents examined & relevant comments. Include renewal/expiry date where appropriate):**<br>Details: Confirmed by management interview and facility tour, record review.<br>Any other comments: None |

| **Management Systems:** | |
|---|---|
| A: In the last 12 months, has the site been subject to any fines/prosecutions for non–compliance to any regulations? | ☐ Yes<br>☒ No<br>A1: Please give details: Confirmed by management. |
| B: Do policies and/or procedures exist that reduce the risk of forced labour, child labour, discrimination, harassment & abuse? | ☒ Yes<br>☐ No<br>B1: Please give details: There is no evidence of any kind of discrimination, child labour or harassment registered during the whole activity of the company. Policy defends good practices at working place |
| C: If Yes, is there evidence (an indication) of effective implementation? Please give details. | There is no evidence of any kind of discrimination between workers. |

| | |
|---|---|
| D: Have managers and workers received training in the standards for forced labour, child labour, discrimination, harassment & abuse? | ☒ Yes<br>☐ No<br>D1: Please give details: Facility policies, standards and procedures training included in the workers annual training plan and for new workers |
| E: If Yes, is there evidence (an indication) that training has been effective e.g. training records etc.? Please give details | ☒ Yes<br>☐ No<br>E1: Please give details: There is no evidence of any kind of discrimination, harassment, or unfair behaviour during the whole activity of the business. |
| F; Does the site have any internationally recognised system certifications e.g. ISO 9000, 14000, OHSAS 18000, SA8000 (or other social audits).<br>*Please detail (Number and date).* | ☒ Yes<br>☐ No<br>F1: Please give details:<br>GLOBAL GRASP granted with Acerta valid until April 21<br>GLOBAS GAP granted with ACERTA valid until May 21<br>GLOBAL GAP CoC granted with ACERTA valid until July 21<br>BRC granted with ACERTA valid until April 21<br>Ecologic Certificate nº 834/2007 |
| G: Is there a Human Resources manager/department?<br>If Yes, please detail. | ☒ Yes<br>☐ No<br>Please describe: There is a department of HHRR responsible to select the personnel. |
| H: Is there a senior person /manager responsible for implementation of the Code | ☒ Yes<br>☐ No<br>Please describe: Marta Garrido and the HHRR is in charge o implementation of the ETI Code. |
| I: Is there a policy to ensure all worker information is confidential | ☒ Yes<br>☐ No<br>I1: Please give details: According Spanish Legislation. |
| J: Is there an effective procedure to ensure confidential information is kept confidential | ☒ Yes<br>☐ No<br>J1: Please give details: Spanish legislation in Data protection.<br>The company complies with the Organic Law 15/1999, of December 13, on the Protection of Personal Data. |
| K: Are risk assessments conducted to evaluate policy and procedure effectiveness? | ☒ Yes<br>☐ No<br>K1: Please give details: Open-door policy and feedback by workers and worker representative. |
| L: Does the facility have a process to address issues found when conducting risk assessments, including implementation of controls to reduce identified risks? | ☒ Yes<br>☐ No<br>L1 Please give details: Open-door policy and feedback by workers and worker representative. |

| | |
|---|---|
| M: Does the facility have policy/code which requires labour standards of its own suppliers? | ☒ Yes<br>☐ No<br>M1: Please give details: The policy is communicated to any related company to their business (customers and suppliers |

| Land rights | |
|---|---|
| N: Does the site have all required land rights licenses and permissions *(see SMETA Measurement Criteria)*? | ☒ Yes<br>☐ No<br>N1: Details: The company has approved the permissions by the authority (City Council of Murcia since 1985 |
| 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 | ☒ Yes<br>☐ No<br>O1: Please give details: National laws were followed by the company management. |
| P: Does the site have a written policy and procedures specific to land rights.<br>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 | ☐ Yes<br>☐ No<br>P1: If yes, how does the company obtain FPIC:<br>N/A |
| Q: Is there evidence that facility site compensated the owner/lessor for the land prior to the facility being built or expanded.<br>Please give details. | ☐ Yes<br>☐ No<br>Q1: Please give details: NA, documents required by law were available in the moment of the audit. |
| R. Does the Facility demonstrate that alternatives to a specific land acquisition were considered to avoid or minimize adverse impacts<br>Please give details. | ☐ Yes<br>☐ No<br>R1: Please give details: NA |
| S: Is There any evidence of illegal appropriation of land for facility building or expansion of footprint. | ☐ Yes<br>☐ No<br>S1: Please give details: NA |

| **Non–compliance:** | |
|---|---|
| **1. Description of non–compliance:**<br>☐ NC against ETI/Additional Elements ☐ NC against Local Law<br>None Observed<br>**Local law and/or ETI requirement:**<br>**Recommended corrective action:** | **Objective evidence observed:** |

| **Observation:** | |
|---|---|
| **Description of observation:**<br><br>**Local law or ETI requirement:**<br><br>**Comments:** | **Objective evidence observed:** |

| **Good Examples observed:** | |
|---|---|
| **Description of Good Example (GE):** | **Objective evidence observed:** |

| **1: Freely Chosen Employment**<br>*(Click here to return to NC–table)* |
|---|
| **ETI**<br>1.1 There is no forced, bonded or involuntary prison labour.<br>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:**

VERDIMED SAU has a total of 338 workers in this moment, being 196 as permanent.

Through interviews was demonstrated that the employees are free of leave the job when working time is over and if they have any personal issue they can absent without problem.

The workers carry out their hours correctly as is defined in his contract labour.

There are no clauses in the employment agreement which would restrict workers from leaving at the end of their shift. Most of workers are working in the company since a lot of years ago.

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

Details:
Documents and worker interviews
Human Resources files
Contracts to establish notice periods.
Site tour.

| | |
|---|---|
| A: Is there any evidence of retention of original documents, e.g. passports/ID's | ☐ Yes<br>☒ No<br>A1: If yes, please give details and category of workers affected: |
| B: Is there any evidence of a loan scheme in operation | ☐ Yes<br>☒ No<br>B1: If yes, please give details and category of worker affected: |
| C: Is there Any evidence of retention of wages /deposits | ☐ Yes<br>☒ No<br>C1: If yes please give details and category of worker affected. |
| D: Are there any restrictions on workers' freedom to terminate employment? | ☐ Yes<br>☒ No<br>D1: Please describe finding: |

| | |
|---|---|
| E: If any part of the business is UK based or registered there & has a turnover over £36m, is there a published a 'modern day slavery statement? | ☐ Yes<br>☐ No<br>☒ Not applicable<br>E1: Please describe finding: |
| F: Is there evidence of any restrictions on workers' freedoms to leave the site at the end of the work day? | ☐ Yes<br>☒ No<br>F1: Please describe finding: |
| G: Does the site understand the risks of forced / trafficked / bonded labour in its supply chain | ☐ Yes<br>☐ No<br>☒ Not applicable<br>G1: If yes, please give details and category of workers affected: |
| H: Is the site taking any steps taking to reduce the risk of forced / trafficked labour? | ☒ Yes<br>☐ No<br>H1: Please describe finding: it is not allowed by Spanish Laws. |

| **Non–compliance:** | |
|---|---|
| **1. Description of non–compliance:**<br>☐ NC against ETI ☐ NC against Local Law: ☐ NC against customer code:<br>None Observed<br>**Local law and/or ETI requirement**<br>**Recommended corrective action:** | **Objective evidence observed:**<br>*(where relevant please add photo numbers)* |

| **Observation:** | |
|---|---|
| **Description of observation:**<br>**Local law or ETI requirement:**<br>**Comments:** | **Objective evidence observed:** |

| **Good Examples observed:** | |
|---|---|
| **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:**
The company gives freedom of association to workers.
The company respects the right of employees to elect their representatives to be unionized.
There are two workers committee (one in pack house and other in filed) elected by workers on November 2020 and April 19, with 5 and 9 members from CCOO , UGT and REDES
Open door policy and suggestion and grievance box system effectively works too.

**Evidence examined – to support system description (Documents examined & relevant comments. Include renewal/expiry date where appropriate):**
Details: To support system description (Documents examined & relevant comments. Include renewal/expiry date where appropriate): Management interview and worker interviews.

| | |
|---|---|
| A: What form of worker representation/union is there on site? | ☒ Union CCOO – UGT - REDES<br>☒ Worker Committee<br>☒ Other (Open door policy and suggestion box)<br>☐ None |
| B: Is it a legal requirement to have a union? | ☐ Yes<br>☒ No |
| C: Is it a legal requirement to have a worker's committee? | ☐ Yes<br>☒ No |
| D: Is there any other form of effective worker/management communication channel? *(Other than union/worker committee)* e.g. H&S, sexual harassment | ☒ Yes<br>☐ No<br>D1: Please give details: An anonymous channel is available.<br><br>D2: Is there evidence of free elections?<br>☒ Yes<br>☐ No N/A |

| | | |
|---|---|---|
| E: Does the supplier provide adequate facilities to allow the Union or committee to conduct related business? | ☒ Yes<br>☐ No<br>E1: Please give details: The employees state this in the interviews. | |
| F: Name of union and union representative, if applicable: | CCOO – UGT - REDES | F1: Is there evidence of free elections?<br>☒ Yes ☐ No ☐ N/A |
| G: If no union what is parallel means of consultation with workers e.g. worker committees? | Worker committee, suggestion box and open-door policy. | G1: Is there evidence of free elections?<br>☒ Yes ☐ No ☐ N/A |
| H: Are all workers aware of who their representatives are? | ☒ Yes ☐ No | As evidenced during interviews, members are well known, as well as the role to be performed by them. |
| I: Were worker representatives freely elected? | ☒ Yes ☐ No | I1: Date of last election: : November 2020 and April 1019 |
| J: Do workers know what topics can be raised with their representatives? | ☒ Yes ☐ No | They know how to proceed when raise up any doubt related to salaries, free days, permissions for doctor visits, etc. There is a person at place, who is in charge of solving any doubt from workers related to employment conditions |
| K: Were worker representatives/union representatives interviewed | ☒ Yes ☐ No<br>If **Yes**, please state how many: 1 worker representative in a private room. | |
| L: State any evidence that union/worker's committee is effective?<br>*Specify date of last meeting; topics covered; how minutes were communicated etc.* | Worker interviews | |
| M: Are any workers covered by Collective Bargaining Agreement (CBA) | ☒ Yes ☐ No | |
| N: If **Yes** what percentage by trade Union/worker representation | M1: 100 % workers covered by Union CBA | M2: 100 % workers covered by worker rep CBA |
| O: If **Yes**, does the Collective Bargaining Agreement (CBA) include rates of pay | ☒ Yes<br>☐ No | |

| **Non–compliance:** | |
|---|---|
| **1. Description of non–compliance:**<br>☐ NC against ETI ☐ NC against Local Law ☐ NC against customer code:<br>None Observed<br>**Local law and/or ETI requirement:**<br>**Recommended corrective action:** | **Objective evidence observed:**<br>*(where relevant please add photo numbers)* |

| **Observation:** | |
|---|---|
| **Description of observation:**<br>**Local law or ETI requirement:**<br>**Comments:** | **Objective evidence observed:** |

| **Good Examples observed:** | |
|---|---|
| **Description of Good Example (GE):** | **Objective evidence observed:** |

**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.*

VERDIMED SAU implements the Health and Safety Risk Prevention CUALTIS

There is a person in charge to these issues and it is also the expert who is performing periodical visits and control to the facility.

The company has a Health and Safety committee for warehouse with 9 members, and for field new elections, (pending for update) and to discuss these issues which performs meetings every three months. The last meeting was done on October 16th, 2020 (warehouse), September 22th, 2020 (field).

The company has a own prevention plan by process updated periodically (example: rotations and breaks April 26th, 2018, forklift trucks control January 02th, 2020. The prevention policy was update in February 7st, 2019 signed by the CEO

The company has a risk evaluation (updated on August 2019, and pending to update with the new ecologic line production when it finished) and its respective preventive actions planning updated on January 2020.

The company has an auto protection manual, The last updated was performed on August 2017 and designed a fire-fighting team. Last fire drill has performed on October 2020 (3 minutes and 28 seconds) only performed in one shift. They established their periodicity for campaign from September 2019 to June 2020, nor for natural year.

The company has trained periodically their workers in basic risk, refresh the training and they train workers that start to work with them. Last training that it was done:

- ✓ Risks and measures of prevention (Field) on January 2020
- ✓ Risks and measures of prevention (warehouse) on January 2020
- ✓ Fork lift on December 2018
- ✓ First aids (warehouse managers and field managers) on April 2017
- ✓ Fire, emergencies and evacuation on December 2017

Company has performed the following hygienic measurements

- ✓ Light collector assessment performed on February 2015
- ✓ Vibrations (field and warehouse) on April 2014 (without established frequency)
- ✓ Scrubber noise assessment performed on November 2017 (without established frequency and the values have been exceeded and it has not been repeated)
- ✓ Shed noise assessment performed on March 2018.

Records of PPE's are updated, and it was checked during visit that workers are using.

The company has covered accidents at work with the IBERMUTUA (Mutual contributor with social security).

The company records and investigates accidents which happen in the warehouse and field. Total number of accidents during campaign from 2019 to 2020they had been 2 with leave in warehouse, 1 with leave in field and 1 without leave

Medical exams are performing annually. The company keeps records of them. Last medical exams were performed during November 2020

First aids kits are in different places of production areas.

Toilets and changing rooms are segregated, enough and clean.

Firefighting equipment is reviewed annually; last one was performed in September 2020. The company in charge of checking and maintenance is Protección Tarvi, quarterly inspection done by company
The company has also installed an alarm system to evacuate in case of emergency.

There are signals informing the risk in machinery (adapted to RD 1215/97).

Chemical products are in the warehouse, labeled, cleaned and in order, technical data sheet available to workers.

The company has performed the following inspections by authorized company:

- ➢ High voltage maintenance with Fejima, annual contract.
- ➢ High voltage inspected by authorized company OCA with SGS in September 18 and May 2019
- ➢ Low voltage inspection was performed by OcaICP in September 2016 and is schedule for this month
- ➢ OCA for Fire protection with SCI in February 2019
- ➢ Cold room maintenance is performing by the company Moelco , yearly maintenance and Oca with SCI in February 2018

The company has got contracted the company QUIPON to pest control. They visit the facilities every month, last inspection performed in October 2020

**Evidence examined – to support system description (Documents examined & relevant comments. Include renewal/expiry date where appropriate):**
Details:
The H&S appointed person in charge of the H&S management system interview

H&S management system documents and registers
The risk evaluations per work post
The PPEs hand in registers
Hygienic and working conditions assessments registers
The compulsory annual medical checks for all employees' registers
Accident/injuries registers, investigations and corrective actions (when applicable)
H&S annual plan
Procedures and registers about the coordination activities (including H&S issues) with the outsourced firms
The emergency preparedness plans
The emergency response teams training and the emergency preparedness plan training for all employee's registers
Emergency evacuation drills reports
Firefighting equipment maintenance registers
Facility tour, Facility's Local Labour office registers book (for inspections performed by the Local Government) and MSDS
Machinery security measures. Maintenance annual plan available and Followed

| | |
|---|---|
| A: Does the facility have general Health & Safety and occupational Health & Safety policies and procedures that are fit for purpose and are these communicated to workers? | ☒ Yes<br>☐ No<br>A1: Please give details: Elaborated by external company and implanted by the own company. |
| B: Are the policies included in worker's manual? | ☒ Yes<br>☐ No<br>B1: Please give details: Records. |
| C: Are there any structural additions without required permits/inspections (e.g. floors added)? | ☐ Yes<br>☒ No<br>C1: Please give details: No evidence. |
| D: Are visitors to the site informed on H&S and provided with personal protective equipment | ☒ Yes<br>☐ No<br>D1: Please give details: As per health and safety policy, health and safety rules should be followed by visitors at the company premises. |
| E: Is a medical room or medical facility provided for workers?<br>If yes, do the room(s) meet legal requirements and is the size/number of rooms suitable for the number of workers. | ☐ Yes<br>☒ No<br>E1: Please give details: Available first aid kits. |
| F: Is there a doctor or nurse on site or there is easy access to first aider/ trained medical aid | ☐ Yes<br>☒ No<br>F1: Please give details: Available first aid kits. |

| | |
|---|---|
| G: Where facility provides worker transport - it is fit for purpose, safe and maintained and operated by competent persons e.g. buses and other vehicles | ☐ Yes<br>☒ No<br>G1: Please give details: |
| H: Secure personal storage space is provided for workers in their living space and is fit for purpose | ☐ Yes<br>☒ No<br>H1: Please give details: The facility does not provide workers accommodation |
| I: H&S Risk assessments are conducted (including evaluating the arrangements for workers doing overtime e.g. driving after a long shift) and there are controls to reduce identified risk | ☒ Yes<br>☐ No<br>I1: Please give details: Risk assessment is conducted and controlled periodically by external expert. Risks were identified. |
| J: Is the site meeting its legal obligations on environmental requirements including required permits for use and disposal of natural resources | ☒ Yes<br>☐ No<br>J1: Please give details: Environmental permit was reviewed. Also wastes were disposed via authorized companies. |
| K: Is the site meeting its customer requirements on environmental standards, including the use of banned chemicals | ☒ Yes<br>☐ No<br>K1: Please give details: REACH. |

| **Non–compliance:** | |
|---|---|
| **1. Description of non–compliance:**<br><br>☒ NC against ETI ☐ NC against Local Law ☐ NC against customer code:<br><br>Company has performed a fire drill only in morning shift. Last fire drill performed in October 20<br><br>**Local law and/or ETI requirement:**<br><br>ETI 3.1<br><br>**Recommended corrective action:**<br><br>Company must perform a fire drill in all shifts | **Objective evidence observed:**<br><br>Document review<br>Interview |

| **Observation:** | |
|---|---|
| **1. Description of observation:**<br><br>It was found a Fire extinguisher placed higher than allowed by law<br><br>**Local law or ETI requirement:**<br><br>ETI 3.1<br>RD 513/2017 "Fire extinguisher must be placed between 80 and 120 cm<br><br>**Recommended corrective action:**<br><br>Company must place the fire extinguisher at correct Hight | **Objective evidence observed:** |

| **Good Examples observed:** | |
|---|---|
| **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:**

The company doesn't contract employees less than 18 years old.

During interviews, employees have explained they don't ever have seen young employees at the factory. Employees, at the moment of recruitment, are older than 18 years old. The youngest worker is 21 years old.

The company has an effective procedure to verify workers' ages during recruitment process. The ID of the employees are requested and checked.

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

Details: ID copies, child labour policy and recruitment procedure were reviewed.
Confirmed with employee, management interviews and document review (ID copy checks).

| | |
|---|---|
| A: Legal age of employment | 16 YEARS OLD (with some restrictions and parent's authorization). |
| B: Age of youngest worker found: | 21 YEARS OLD |
| C: Children present on workfloor but not working at time of audit | ☐ Yes<br>☒ No |
| D: % of under 18's at this site (of total workers) | 0 % |
| E: Workers under 18 subject to hazardous work assignments?<br>(Go to clause 3 – Health and Safety) | ☐ Yes<br>☐ No<br>E1: If yes, give details N/A |

| **Non–compliance:** | |
|---|---|
| **1. Description of non–compliance:**<br>☐ NC against ETI ☐ NC against Local Law ☐ NC against customer code:<br>None Observed<br>**Local law and/or ETI requirement:**<br>**Recommended corrective action:** | **Objective evidence observed:**<br>*(where relevant please add photo numbers)* |

| **Observation:** | |
|---|---|
| **Description of observation:**<br>**Local law or ETI requirement:**<br>**Comments:** | **Objective evidence observed:** |

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

**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:**

Wage and Salary is based on Collective bargaining agreement "convenio colectivo de empresas cosecheras y productoras de tomate" for Field and " frutas Frescas y Hortalizas (Manipulacion y Envasado" for pack house.

Wages are paid according worked days and employment conditions. During recruitment process, employee is informed about work and social conditions. A copy of signed contract is retained by the employee.

Payment is done at the beginning of the month by bank transfer and every month HR department gives payroll to employee. During interviews, employees have confirmed this process.

Applied deductions are adequate with local labour law. All workers are provided with legal social insurance.

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

Details:
Confirmed with employee, management interviews and document review (i.e: payment records, social insurance fund, annual leave records, pay slips etc.) in accordance with SMETA Best Practice Guidance and Local Law.
26 attendance records and payroll records from November 2019 were reviewed in this audit. Moreover, management has available for audit process payrolls from the total workforce, 26 workers were interviewed.

| **Non–compliance:** | |
|---|---|
| **1. Description of non–compliance:**<br>☐ NC against ETI ☐ NC against Local Law ☐ NC against customer<br>None Observed<br>**Local law and/or ETI requirement:**<br>**Recommended corrective action:** | **Objective evidence observed:**<br>*(where relevant please add photo numbers)* |

| **Observation:** | |
|---|---|
| **Description of observation:**<br>**Local law or ETI requirement:**<br>**Comments:** | **Objective evidence observed:**<br>Documentary review |

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

## 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: 1.818hours/year 1826hours/year | 1.818 hours/year 1826 hours/year | ☒ Yes ☐ No |
| B: Overtime hours: *(Maximum legal and actual overtime hours, please state if possible per day, week, and month)* | Legal maximum: 80 hours/year | Legal maximum: 80 hours/year | ☒ Yes ☐ No |
| D: 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: 7,28€/hour 7,32€/hour | 7,28 €/hour 7,32€/hour | ☒ Yes ☐ No |
| E: overtime wage: *(Minimum legal and actual minimum overtime wage at site, please state if possible per hr, day, week, and month)* | Legal minimum: As per CBA. | As per CBA | ☒ Yes ☐ No |

| **Wages analysis:** *(Click here to return to Key Information)* | | |
|---|---|---|
| A: Were accurate records shown at the first request? | ☒ Yes ☐ No | |
| A1: If **No**, why not? | | |
| 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 employees' payment records were reviewed for the last months (after establishment) as per SMETA Guidance. | |
| C: Are there different legal minimum wage grades? If **Yes**, please specify all. | ☒ Yes ☐ No | C1: If **Yes**, please give details: Depending on category detailed in CBA. |
| D: If there are different legal minimum grades, are all workers graded and paid correctly? | ☒ Yes ☐ No ☐ N/A | DI: If **No**, please give details: |
| D: For the lowest paid production workers, are wages paid for standard/contracted hours (excluding overtime) below or above the legal minimum? | ☐ Below legal min ☐ Meet ☒ Above | E1: Lowest actual wages found: Note: full time employees and please state hour / week / month etc. |

| | | | |
|---|---|---|---|
| F: Please indicate the breakdown of workforce per earnings: | F1: ____% of workforce earning under minimum wage<br>F2: % of workforce earning minimum wage<br>F3: 100 % of workforce earning above minimum wage | | |
| G: Bonus Scheme found:<br>Please specify details: | Social insurance and tax. | | |
| H: What deductions are required by law e.g. social insurance?<br>Please state all types: | Cont. Comunes (4,70%)<br>Formación Profesional (1,55%)<br>Seguridad Social (0,10%)<br>IRPF (% depends on person's social situation | | |
| I: Have these deductions been made?<br>Please list all deductions that have/have not been made. | ☒ Yes<br>☐ No | I1: Please list all deductions that **have** been made. | 1. Contingencia comunes.<br>2. Desempleo.<br>3. Formación Profesional.<br>4. IRPF.<br>Please describe: |
| | | I2: Please list all deductions that **have not** been made. | 1.<br>2.<br><br>Please describe: |
| J: Were appropriate records available to verify hours of work and wages? | ☒ Yes<br>☐ No | | |
| K: Were any inconsistencies found?<br>(if yes describe nature) | ☐ Yes<br>☒ No | K1: Type<br><br>☐ Poor record keeping<br>☐ Isolated incident<br>☐ Repeated occurrence: | |
| L: Do records reflect all time worked?<br>(For instance, are workers asked to attend meetings before or after work but not paid for their time) | ☒ Yes<br>☐ No<br>L1: Please give details: The worked time registration is through fingerprint scanner and its accurate software. This system reflects all time worked. There is not time asked and not paid as could be stated trough workers interviews | | |
| M: Is there a defined living wage:<br>*This is <u>not normally</u> minimum legal wage. If answered Yes, please state amount and source of info:*<br>*Please see SMETA Best Practice Guidance and Measurement Criteria.* | ☒ Yes<br>☐ No<br>Please specify amount/time: 950 €/monthly stated by Spanish Law (Source: Spanish Ministry of Economy: the Spanish government have calculated the minimum living wage to state the minimum legal wage. | | |
| M2: If yes, what was the calculation method used. | ☐ ISEAL/Anker Benchmarks<br>☐ Asia Floor Wage<br>☐ Figures provided by Unions<br>☐ Living Wage Foundation UK<br>☐ Fair Wear Wage Ladder<br>☐ Fairtrade Foundation | | |

| | |
|---|---|
| | Other – please give details: the Spanish government have calculated the minimum living wage to state the minimum legal wage. |
| N: Are there periodic reviews of wages? If Yes give details (include whether there is consideration to basic needs of workers plus discretionary income). | ☒ Yes<br>☐ No<br>N1: Please give details: The CBA of the company is periodically reviewed. |
| O: Are workers paid in a timely manner in line with local law? | ☒ Yes<br>☐ No |
| P: Is there evidence that equal rates are being paid for equal work: | ☒ Yes<br>☐ No<br>P1: Please give details: The auditor checked that all the employees who carry out the same task are paid accordingly; they have the same gross wage and there is no evidence of discrimination |
| Q: How are workers paid: | ☐ Cash<br>☐ Cheque<br>☒ Bank Transfer<br>☐ Other<br>Q1: 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:**

CBA indicate that total hour per year, 1826 hours and 1818 depending CBA
Hours are recorded by fingerprint and records are kept in the ERP system.

In packhouse there are a shift from 08:00 to14:00 and from 16:00 to 19:30 with 30 minutes for bread, from Monday to Friday and Saturday from 08:00 to 14:00. There is a flexibility working hour depending of day and production.

Overtime is doing voluntary by workers and depending of season.

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

Documentary review. 26 attendance records from November 2019 to November 2020

| **Non–compliance:** | |
|---|---|
| **1. Description of non–compliance:**<br><br>☒ NC against ETI ☒ NC against Local Law ☐ NC against customer code:<br><br>It was found 2 workers from 26 files reviewed that perform more than 11 hours per day in January and March 20(2 days consecutive) and the maximum as per CBA is 10 hours.<br><br>**Local law and/or ETI requirement:**<br>ETI 6.1<br>CBA<br><br>**Recommended corrective action:**<br><br>Workers must not perform more than 10 hours | **Objective evidence observed:**<br><br>Document review |

| **Observation:** | |
|---|---|
| **Description of observation:**<br><br>**Local law or ETI requirement:**<br><br>**Comments:** | **Objective evidence observed:** |

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

| **Working hours' analysis**<br>*Please include time e.g. hour/week/month*<br>*(Go back to Key information)* | | | | | |
|---|---|---|---|---|---|
| **Systems & Processes** | | | | | |
| A. What timekeeping systems are used: time card etc. | *Describe: timecard system* | | | | |
| B: *Is sample size same as in wages section* | ☒ Yes<br>☐ No<br>*B1: If no, please give details* | | | | |
| C: Are standard/contracted working hours defined in **all** contracts/employment agreements? | ☒ Yes<br>☐ No | *C1: If NO, please give details including % and which type of workers do NOT have standard hours defined in contracts/employment agreements.*<br>Details | | | |
| D: Are there any other types of contracts/employment agreements used? | ☐ Yes<br>☒ No | *D1: If YES, please complete as appropriate:* | | | |
| | | ☐ 0 hrs | ☐ Part time | ☐ Variable hrs | ☐ Other |
| | | If "Other", Please define: | | | |
| | | | | | |
| E. Do any standard/contracted working hours defined in contracts/employment agreements exceed 48 hours per week | ☐ Yes<br>☒ No | *E1: If yes, please detail hours, %, types of workers affected and frequency*<br>*Please give details:* | | | |
| F: Are workers provided with at least 1 day off in every 7-day-period, or 2 in 14-day-period (where the law allows)? | F2: Please select all applicable:<br>☒ 1 in 7 days<br>☐ 2 in 14 days<br>☐No<br>If 'No', please explain: | F3: Is this allowed by local law?<br>☒ Yes<br>☐ No | | | |
| | *Maximum number of days worked without a day off (in sample):* | | | | |
| | 6 days. | | | | |

| **Standard/Contracted Hours worked** | | |
|---|---|---|
| G: Standard working hours over 48 per week found | ☐ Yes<br>☒ No | G1: If yes, % of workers & frequency: |
| H: Any local waivers/local law or permissions which allow averaging/annualised hours for this site? | ☐ Yes<br>☒ No | H1: If yes, please give details: |
| **Overtime Hours worked** | | |
| I: Actual overtime hours worked in sample (State per day/week/month) | Highest OT hours: | in January 34 hours<br>in March 3 hours |
| J: Combined hours (standard/contracted plus= total) 60 found? | ☐ Yes<br>☒ No | |
| K: Approximate percentage of total workers on highest overtime hours | *8 %* | |
| L: Is overtime voluntary? | ☒ Yes<br>☐ No<br>☐ Conflicting Information | *L1: Please detail evidence e.g. Wording of contract / employment agreement / handbook / worker interviews / refusal arrangements: According to CBA* |
| **Overtime Premiums** | | |
| M: Are the correct legal overtime premiums paid? | ☐ Yes<br>☐ No<br>☒ N/A – there is no legal requirement to OT premium | *M1: Please give details of normal day overtime premium as a % of **standard** wages:*<br>*As per cba* |
| N: Is overtime paid at a premium? | ☒ Yes<br>☐ No | *If yes, please describe % of workers & frequency:* |
| O: If the site pays less than 125% OT premium and this is allowed under local law, are there other considerations? Please complete the | ☐ No<br>☐ Consolidated pay *(May be standard wages above minimum legal wage, with no/low overtime premium)*<br>☒ Collective Bargaining agreements<br>☐ Other | |
| | Please explain any checked boxes above e.g. detail of consolidated pay CBA or Other | |

| | |
|---|---|
| boxes where relevant. | |
| P: If more than 60 total hours per week and this is legally allowed, are there other considerations? Please complete the boxes where relevant. Multi select is possible. | ☐ **Overtime is voluntary**<br>☐ Onsite Collective bargaining allows 60+ hours/week<br>☐ Safeguards are in place to protect worker's health and safety<br>☐ Site can demonstrate exceptional circumstances<br>☐ Other reasons (please specify) |
| | P1: Please explain any checked boxes above e.g. detail of consolidated pay / CBA or other: |
| | |
| Q: Is there evidence that overtime hours are being used for extended periods to make up for labour shortages or increased order volumes? | ☐ Yes<br>☒ No<br>Q1: If yes, please give details. |
| R: If sufficient workers cannot be hired, are new working time arrangements explored to ensure that overtime is the exception rather than the rule. | ☒ Yes<br>☐ No |

| **7: No Discrimination is Practiced**<br>*(Click here to return to NC–table)* |
|---|
| **ETI**<br>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:**

There was 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.

The company has a discrimination policy which is included aspects of this point.
Company has an Equal plan dated January 2018

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

It was confirmed through interviews that there is no discrimination in hiring, access to training, termination or retirement based of race, cast, national origin, religion, age, disability, sexual orientation, political affiliation, gender or marital status.
Document review.

| | |
|---|---|
| A: Gender breakdown of Management + Supervisors *(Include as one combined group)* | Male: 40 %<br>Female: 60 % |
| 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 (1 Quality technician, 1 HR responsible, 1 H&S responsible, Manager line, Administration departmen). |
| 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?: | ☐ Hiring<br>☐ Compensation<br>☐ Access to training<br>☐ Promotion<br>☐ Termination or retirement<br>☐ No evidence of discrimination found<br><br>C1: Please give details: |

| **Professional Development** | |
|---|---|
| A: What type of training and development are available for workers? | Please give details: Safety training, etc. Health and Safety training, quality, food defence, etc. |
| B: Are HR decisions on e.g. promotion, training, compensation based on objective, transparent criteria? | ☒ Yes<br>☐ No<br>If no, please give details: |

| **Non–compliance:** | |
|---|---|
| **1. Description of non–compliance:**<br>☐ NC against ETI ☐ NC against Local Law ☐ NC against customer code**:**<br>None Observed<br>**Local law and/or ETI requirement:**<br>**Recommended corrective action:** | **Objective evidence observed:**<br>*(where relevant please add photo numbers)* |

| **Observation:** | |
|---|---|
| **Description of observation:**<br>**Local law or ETI requirement:**<br>**Comments:** | **Objective evidence observed:** |

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

**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:**

Regular employment is provided by the company. Hiring process consists on an interview after a searching of candidate's trough websites or by reception of CVs, and when candidate fit with employ, they sign a contract of them and conditions. As evidenced during interviews, contract has standard format of Spanish Government and accomplish with legal requirements.

Salaries are done according to Spanish labour law and CBA applied, and it is reflected in the signed contract. Contracts contain working conditions (work time, labour days, category on CBA and salary showed on CBA, remunerations and pluses…), and type and duration of contract.

Each worker keeps a copy of their signed contract. The company pays the social insurance and all legal requirements.

No evidence of Homework or apprentices was found either.

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

Details: Document review (personnel files and labour contracts) and worker declarations.

| **Non–compliance:** | |
|---|---|
| **1. Description of non–compliance:**<br>☐ NC against ETI ☐ NC against Local Law ☐ NC against customer code:<br>None Observed<br>**Local law and/or ETI requirement:**<br>**Recommended corrective action:** | **Objective evidence observed:** |

| **Observation:** | |
|---|---|
| **Description of observation:**<br>**Local law or ETI requirement:**<br>**Comments:** | **Objective evidence observed:** |

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

## Responsible Recruitment

| **All Workers** | |
|---|---|
| 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? | ☒ Terms & Conditions presented<br>☒ Understood by workers<br>☒ Same as actual conditions<br><br>A1: If any are unchecked, please describe finding and specific category (ies) of workers affected: |
| B: Did workers' pay any fees, taxes, deposits or bonds for the purpose of recruitment/placement? | ☐ Yes<br>☒ No<br>B1: If yes, please describe details and specific category(ies) of workers affected: |
| C: If yes, check all that apply: | ☐ Recruitment / hiring fees<br>☐ Service fees<br>☐ Application costs<br>☐ Recommendation fees<br>☐ Placement fees<br>☐ Administrative, overhead or processing fees<br>☐ Skills tests<br>☐ Certifications<br>☐ Medical screenings<br>☐ Passports/ID's<br>☐ Work / resident permits<br>☐ Birth certificates<br>☐ Police clearance fees<br>☐ Any transportation and lodging costs after employment offer<br>☐ Any transport costs between work place and home<br>☐ Any relocation costs after commencement of employment<br>☐ New hire training / orientation fees<br>☐ Medical exam fees<br>☐ Deposit bonds or other deposits<br>☐ Any other non-monetary assets<br>☐ Other –<br>C1: If other, please give details: |
| C: If any checked, give details: | N/A |

| **Migrant Workers:**<br>*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* | | |
|---|---|---|
| A: Type of work undertaken by migrant workers: | Pack House (Hired by the own company). | |
| B: Migrant worker recruitment | B1: Total number of (in country recruitment agencies) used: N/A<br>B2: Total number of (outside of local country) recruitment agencies used: NA | |
| C: Migrant workers' voluntary deductions (such as for remittances) confirmed in writing by the worker and evidence of transaction is supplied by the facility to the worker. | ☐ Yes<br>☐ No<br>C1: Please describe finding: | C2: Observations: N/A |
| D: Are Any migrant workers in skilled, technical, or management roles<br><br>**Migrant Workers (this should include all migrant workers including permanent workers, temporary and/or seasonal workers)** | ☒ Yes<br>☐ No<br><br>D1: If yes, number and example of roles: Manager line | |

## NON-EMPLOYEE WORKERS

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

| **Agency Workers (if applicable)**<br>*(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): | A1: Names if available:<br>Agriverdes dell Mediterrano – date of contract 2/10/2020<br>Crit – date of contract I 5/10/2020<br>Terrafecundi date of contract 7/10/20 |
| B: Were agency workers' age/pay/hours included within scope of this audit | ☒ Yes<br>☐ No |
| C: Were sufficient documents for agency workers available for review? | ☒ Yes<br>☐ No |
| D: Is there a legal contract / agreement with all agencies? | ☒ Yes<br>☐ No<br><br>D1: Please give details: contract was reviewed |
| E: Does the site have a system for checking labour standards of agencies?<br>If yes, please give details. | ☒ Yes<br>☐ No<br><br>E1: Please give details: Reques or SMETA audit to Agency and request of other revelant documentation |

| **Contractors:**<br>*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, | |
|---|---|
| A: Any contractors on site? | ☐ Yes<br>☒ No<br>A1: If yes how many contractors are present, please give details: |
| B: If **Yes**, how many workers supplied by contractors | |
| C: Do all contractor workers understand their terms of employment? | ☐ Yes<br>☐ No<br>C1: Please describe finding: |
| D: If **Yes**, please give evidence for contractor workers being paid per law: | It was reviewed contract, payrolls and performed interviews to workers. |

**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:**

No evidence of subcontractors nor homeworking at place.

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

Certificate on Social Security and Treasury Department.

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

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

Details: Documentary review.

| **Non–compliance:** | |
|---|---|
| **1. Description of non–compliance:**<br>☐ NC against ETI/Additional Elements ☐ NC against Local Law<br>☐ NC against customer code:<br>None Observed<br>**Local law and/or ETI /Additional Elements requirement:**<br>**Recommended corrective action:** | **Objective evidence observed:**<br>*(where relevant please add photo numbers)* |

| **Observation:** | |
|---|---|
| **Description of observation:**<br>**Local law or ETI/Additional elements requirement:**<br>**Comments:** | **Objective evidence observed:** |

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

| **Summary of sub–contracting – if applicable**<br>☒ 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 hours or undeclared sub-contracting | ☐ Yes<br>☐ No<br>A1: Please describe: |
| B: If sub–contractors are used, is there evidence this has been agreed with the main client? | ☐ Yes<br>☐ No<br>B1: If Yes, summarise details: N/A |
| C: Number of sub–contractors/agents used | |
| D: Is there a site policy on sub–contracting? | ☐ Yes<br>☐ No<br>D1: If Yes, summarise details: |
| E: What checks are in place to ensure no child labour is being used and work is safe? | |

| **Summary of homeworking – if applicable**<br>☒ Not Applicable please x | | | |
|---|---|---|---|
| A: If homeworking is being used, is there evidence this has been agreed with the main client? | ☐ Yes<br>☐ No<br>A1: If **Yes**, summarise details: | | |
| B: Number of homeworkers | B1: Male: | B2: Female: | Total: |
| C: Are homeworkers employed direct or through agents? | ☐ Directly<br>☐ Through Agents | C1: If through agents, number of agents: | |
| D: If through agents, number of agents | | | |
| E: Is there a site policy on homeworking? | ☐ Yes<br>☐ No | | |
| F: How does site ensure worker hours and pay meet local laws for homeworkers? | | | |
| G: What processes are carried out by homeworkers? | | | |
| G: Do any contracts exist for homeworkers | ☐ Yes<br>☐ No<br>G1: Please give details: | | |
| H: Are full records of homeworkers available at the site? | ☐ Yes<br>☐ No | | |

| **9: No Harsh or Inhumane Treatment is Allowed**<br>*(Click here to return to NC–table)* |
|---|
| **ETI**<br>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.<br>Additional elements:<br>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 3rd party? | ☒ Yes<br>☐ No<br>A1: Please give details: Spanish legislation and courts has processes to these issues. |
| B: If **Yes**, are workers aware of these channels and have access? Please give details. | Workers stated that they are aware of this channel. |
| C: If yes, what type of mechanism is used e.g. hotline, whistle blowing mechanism, comment box etc. Please give details. | Worker representative, Spanish Courts, open door policy and suggestion and grievance box. |
| D: Is there a grievance mechanism is place for: | ☒ Workers<br>☒ Communities<br>☒ Suppliers<br>☒ Other<br><br>D1: Please give details: Open door policy and suggestion box. |
| E: Are there any open disputes? | ☐ Yes<br>☒ No<br><br>E1: If yes, please give details |
| F: Does the site encourage its business partners (e.g. suppliers) to provide individuals and communities with access to effective grievance mechanisms (e.g. helplines or whistle blowing mechanism) | ☒ Yes<br>☐ No<br><br>F1: If no, please give details |
| G: Is there a published and transparent disciplinary procedure? | ☒ Yes<br>☐ No<br><br>G1: If no, please explain |
| H: If yes, are workers aware of these the disciplinary procedure? | ☒ Yes<br>☐ No<br><br>H1: If no, please give details |
| I: Does the disciplinary procedure allow for deductions from wages (fines) for disciplinary purposes (see wages section)? | ☒ Yes<br>☐ No<br><br>I1: If yes, please give details: According CBA. |

| **Current Systems and Evidence Examined**<br>*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:**<br><br>The facility has a copy of CBA which includes disciplinary action for breaches.<br>It is noted that the facility operates with a friendly and open approach and there are no reported cases of inappropriate behaviour by management or workers.<br><br>Interviewed workers confirmed that the company was a good place to work and they were confident any inappropriate behaviour by Managers or Supervisors would be addressed.<br><br>**Evidence examined – to support system description (Documents examined & relevant comments. Include renewal/expiry date where appropriate):**<br><br>Details: Document Review, Factory Tour, Management and workers interviews. |

| **Non–compliance:** | |
|---|---|
| **1. Description of non–compliance:**<br><br>☐ NC against ETI ☐ NC against Local Law ☐ NC against customer code**:**<br><br>None observed<br><br>**Local law and/or ETI requirement:**<br><br>**Recommended corrective action:** | **Objective evidence observed:**<br>*(where relevant please add photo numbers)* |

| **Observation:** | |
|---|---|
| **Description of observation:**<br><br>**Local law or ETI requirement:**<br><br>**Comments:** | **Objective evidence observed:** |

| **Good Examples observed:** | |
|---|---|
| **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:**

Through the interview with the management, it was noted that they are fully aware of the requirements to verify eligibility to work in Spain including the responsibilities of checking passports, visas and immigration documentation.
A system is implemented for right to work documentation to be verified and copies kept on file, passport copies, birth certificates and other acceptable documents as per government guidelines.

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

Prior to commencing work employees are meant to supply a document demonstrating their right to work in Spain.
A copy of this document was on file of workers.

**Non–compliance:**

**1. Description of non–compliance:**

☐ NC against ETI/Additional Elements ☐ NC against Local Law

☐ NC against customer code**:**

None Observed

**Local law and/or ETI /Additional Elements requirement:**

**Recommended corrective action:**

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

| **Observation:** | |
|---|---|
| **Description of observation:**<br><br>**Local law or ETI/Additional Elements requirement:**<br><br>**Comments:** | **Objective evidence observed:** |

| **Good examples observed:** | |
|---|---|
| **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 company meets the requirements of local and national laws related to environmental and industrial standards. Relevant valid permits are demonstrated. The company has the opening license approved in 1985 by the City Council of Murcia

The company has elaborated a policy integrated in environment and quality policies dated September 2020

The company has legal authorization to produce waste

Hazardous Waste handed with GESTION Y TRATAMIENTOS AMBIENTALES SL. (Contaminated containers, oils, oil filters, aerosols, fluorescent tubes.)

Gestion y tratamiento Medioambientales for Plastic and carton
Ferrovial for RSU

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

Any other comments:

| **Non–compliance:** | |
|---|---|
| **1. Description of non–compliance:**<br>☐ NC against ETI/Additional Elements ☐ NC against Local<br>☐ NC against customer code**:**<br>None Observed<br>**Local law and/or ETI/Additional Elements requirement:**<br>**Recommended corrective action:** | **Objective evidence observed:**<br>*(where relevant please add photo numbers)* |

| **Observation:** | |
|---|---|
| **Description of observation:**<br>**Local law or ETI/Additional elements requirements:**<br>**Comments:** | **Objective evidence observed:** |

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

| **Other Findings Outside the Scope of the Code** |
|---|
| N/A |

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

# Photo Form

| | | |
|---|---|---|
| | | |
| *PACK HOUSE ENTRACE* | *LOCKERS* | *Toilet* |

| | | |
|---|---|---|
| | | |
| *TOILET* | *Extinguisher* | *Signals* |

| | | |
|---|---|---|
| | | |
| *CORRIDORS* | *ALARM BOTTOM* | *SIGNALS* |

| | | |
|---|---|---|
| | | |
| *MACHINERY* | *PRODUCT* | *Boxes* |

| | | |
|---|---|---|
| | | |
| *NOTICE BOARD* | *CHEMICAL PRODUCTS* | *DINING ROOM* |

| | | |
|---|---|---|
| | | |
| *DINING ROOM* | *VENDING MACHINE* | *TIME CARD SYSTEM* |

**For more information visit: 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:**

**Click here for Buyer (A) & Buyer/Supplier (A/B) members:**

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

**Click here for Supplier (B) members:**

http://www.surveymonkey.com/s.aspx?sm=d3vYsCe48fre69DRglY_2brg_3d_3d

**Click here for Auditors:**

*https://www.surveymonkey.co.uk/r/BRTVCKP*