

# **United Nations Global Compact**

Communication on progress 2012

Timeframe: December 2011 - December 2012

Format: Basic COP template

Differentiation category: GC Active level

#### Self-assessment:

- The COP contains the statement of support for the UN Global Compact's ten principles by the Chairman of the Board
- A description of activities and valid regulations related to human rights
- A description of activities and valid regulations related to labour
- A description of activities and valid regulations related to environmental protection
- A description of activities and valid regulations related to community
- A description of activities and valid regulations related to anti-corruption measures
- Outcomes

# **Human rights**

# Assessment, policy and goals

In its business Vindija actively supports the Declaration of Human Rights and, in line with this, it does no business in markets in which fundamental human rights and freedoms are being violated. Guarantee for the human rights protection and the dignity of workers is included into the business code of Vindija, and the company is applying best practises in promoting principles of the Declaration regarding relationship with all stakeholders, encouraging them to get actively involved in Global Compact.

### *Implementation of principles*

Vindija's employees are legally protected from all forms of discrimination, harassment, forced labour and privacy violations in accordance with the Universal Declaration of Human Rights and the Labour Act of the Republic of Croatia.

In all business processes – from strategic planning to operational implementation – a lot of attention is paid to ensuring the dignity at work of the employees and improving the communication flow to include the employees as much as possible in activities and processes that are relevant for them.

#### **Outcomes**

Over the reporting period Vindija was not subject to any form of investigation, legal proceedings or any legal measures related to the violation of human rights.

### Workers and labour

### Assessment, policy and goals

Vindija does not cooperate with organizations that use child or forced labour in their businesses. All Vindija employees have signed employment contracts, which clearly define the terms and conditions of work, including their wages and arrangements related to overtime work. These contracts contain and clearly define the employees working tasks.

# *Implementation of principles*

Vindija respects human and labour rights of its employees, fighting all forms of discrimination. When entering into employment relationship, employees are first acquainted with safety rules for handling various equipment and machinery, as well as with fire protection measures. A major segment of the business organization is to ensure safety at work, and furthermore, besides providing education and training the staff in security measures a lot of attention is paid to accuracy of all the tools and devices used.

Vindija provides its employees with a work in a safe, clean and orderly environment; a special emphasis is also placed on improving interpersonal relationships.

Employees who have children enjoy additional benefits, material and financial support, that involves gifts for newborns, holiday gift giving, educational assistance, organization of many activities such as field trips and family summer vacations financing.

This year Vindija has also gave gift packs to its employees just before the annual leave and every holiday. At the beginning of the school year the company donated cash vouchers to assist in the purchase of school supplies. The employees celebrating the jubilee for working a number of years in the company are awarded with cash prizes during the Advent as a thank for a personal contribution to the success of Vindija.

#### **Outcomes**

Vindija's application of principles of the Declaration of Human Rights is reflected in the structure of the staff — covered by age and gender, and Vindija employs \_\_\_\_\_ women that hold senior management positions, which is a situation beyond Croatia's average.

#### **Environment**

### Assessment, policy and goals

In its business processes Vindija implements the highest standards of safety and environmental protection in all business processes, continuously following trends and implementing state-of-art technology to minimize the environmental impact. The control over production, products, raw material, energy plants, water and wastewater is carried out by modern automatic equipment and environmentally friendly methods.

## Implementation of principles

Energy plants use energy in order of descending importance: electric energy, gas, light fuel oil as an alternative in case of gas shortage.

In cooling plants, no gases that contribute to the ozone layer depletion are used, instead, NH3 with indirect media, ice water, cold water and ethylene glycol are used for air conditioning.

There is a specific method of disposal for every group of raw materials; for example, paper is collected and sent for recycling on a daily basis, whereas foil and objects made of artificial compounds are separated and pressed. Since the beginning of the application of the Government's Ordinance on Packaging Vindija has assumed the obligations in respect of the Fund and in relation to packaging waste management in the Republic of Croatia.

The emissions that are created during the production process have no significant impact on the soil. The measurements of the emissions of air pollutants are carried out regularly.

An operative intervention plan for protection of the environment was made in accordance with provisions of the Act on Environmental Protection. Activities are also being performed in order to adjust to regulations with the purpose of alignment with the EU laws.

When the facilities of each member of the business system Vindija are developed, a quality ratio of build-up areas to green areas is fully respected, and green areas are all designed within the framework of landscape architecture by top quality professionals, whose ideas are implemented based on the instructions of the masters of horticulture.

#### **Outcomes**

Vindija has caused no environmental incidents with its business processes, from cooperation with subcontractors, through production of raw materials and final products, to their distribution and positioning in the retail network - that's the best indicator of proper implementation of the principles of Global Compact related to the environment.

# Community

# Assessment, policy and goals

In the business environment in which it operates Vindija acts as an active participant in contributing to the community development and improvement of quality of life. Vindija backs up a number of projects that promote education, cultural heritage preservation and the values of the society we live in.

## *Implementation of principles*

During 2012 Vindija participated in a number of actions and projects of various scopes, whose aim was to improve the quality of life and education particularly focusing on children, young people and vulnerable groups — people suffering health deterioration. Among the institutions that received Vindija's donations are Varaždin Cenacolo Community, Shelter for Infirm and Aged in Novigrad, as well as safe houses in Vukovar and Varaždin, which provide shelter and accommodation for victims of domestic violence.

Over the reporting period, in the framework of the Contract with the Rotary Club Zagreb, Vindija participated in the action "A Step into Life" providing young adults without parental care with college scholarships and helping them with employment. Vindija made a contribution in form of sponsorship regarding scholarship for three students, and this year a total of 33 scholarships were awarded.

On the occasion of the World School Milk Day Vindija donated its products to shelters for homeless children in Zagreb, Rijeka, Selce and Slavonski Brod, as well as SOS Children's Village Croatia in Lekenik and Ladimirovci.

Vindija supports the work of organizations for children and youth donating its products, which are sent to the Association "Sun" for children with disabilities in Novi Marof, the Association "Brave children" in Zagreb for children with cerebral palsy and the Association "Breza" in Osijek for taking care of young people, which helps children and young people without adequate family support.

Vindija was also involved in a humanitarian action "Croatian dairies giving gifts to children with special needs" organized within the World School Milk Day, an event that aims to raise awareness about the importance of milk and dairy products in daily balanced diet.

This year Vindija also donated the diocesan Caritas across Croatia, while the company is regularly supplying Caritas in Varaždin with milk on monthly basis.

After the flood that struck the counties of Varaždin and Međimurje in early November Vindija donated its products to 10 families whose property was destroyed by water.

Being the golden sponsor of the Varaždin Baroque Evenings and the general sponsor of the Špancirfest, Vindija contributes to the preservation of tangible and intangible cultural heritage of the County of Varaždin.

Vindija is making great efforts to promote worldwide the domestic food industry and the economy in general, participating in numerous exhibitions regarding entrepreneurship, food and agriculture.

Promoting its products Vindija promotes the importance of a healthy and balanced diet through education about the need to buy high-quality and nutritious food.

### **Outcomes**

In times of difficult economic circumstances, Vindija placed a special emphasis on the contribution to the community in which it operates. Strengthening activities in this area is of utmost importance in such harsh circumstances, so Vindija is recognized as a socially responsible company and a valuable member of the community.

# Fight against corruption

# Assessment, policy and goals

Vindija continues to fight corruption, seeking to create a positive climate in which each individual will be protected from wrongdoing and immoral relationships, which include blackmail, bribery and other forms of violation of the Labour Act and the UN Convention against Corruption.

# *Implementation of principles*

Vindija fully supports a systematic approach to the fight against corruption and permanent efforts of the Government of the Republic of Croatia in this regard. Vindija continues to train its management so that they are able to recognize all forms of non-transparent and illegal business in their work and to suppress such occurrences. When participating in processes of public procurement, Vindija pays particular attention to the legality of all activities undertaken.

#### **Outcomes**

During the reporting period Vindija was not involved in any legal proceedings related to corruption and bribery.