

Vindija

United Nations Global Compact

Communication on Progress, 2018

Period covered: December 2017 to December 2018

Format: basic reporting form

Differentiation level: GC active

Self-assessment:

- The report contains a statement by the President of the Management Board expressing continued support for the Ten Principles of the United Nations Global Compact
- Description of activities and current regulations regarding human rights
- Description of activities and current regulations regarding labour
- Description of activities and current regulations regarding environmental protections
- Description of activities and current regulations regarding anti-corruption measures
- Measured outcomes

Human rights

Assessment, policy and goals

The business code used by the Vindija Group is based on protecting human rights and employee dignity through the active application of all principles of the *Declaration of Human Rights* and other obligations arising from the legal regulations and Constitution of the Republic of Croatia. In addition, the Vindija Group carries out other measures to assure employee satisfaction is maintained continuously and a positive working atmosphere created.

Implementation

In accordance with the *Universal Declaration of Human Rights* and the *Labour Act* of the Republic of Croatia, Vindija's employees are protected by law in all work processes from all forms of discrimination, harassment, forced labour and invasion of privacy. With the aim of maintaining high standards in company management and employee satisfaction, the Vindija Group works proactively to improve employees' interpersonal networking and communication, so that they are all aware at all times of activities and processes relevant to them.

Measurement of outcomes

In the reporting period, the Vindija Group was not the subject of any investigation, court case or legal measures linked to the violation of human rights.

Labour principles

Assessment, policy and goals

We believe the dedicated work of our employees forms the basis of excellent business results and success for the whole Vindija Group. For this reason, our goal is to ensure a stimulating, pleasant work environment in which our employees gain a sense of satisfaction from their work, and where they can maximise their potential.

In its work, the Vindija Group respects the principles of equality and equal criteria for all employees. Each employee has a contract which prescribes their work conditions and defines clearly the tasks of each post. The Vindija Group conducts business while respecting the positive legal regulations of domestic and international law which prohibit child labour, forced labour, or compulsory labour.

Implementation

Respect for our employees, with particular reference to labour rights, and the continuing fight against all kinds of discrimination, form the basis for managing human resources in our company. In the Vindija Group, we recognised to need to systematically care for and invest in the development of each employee, as a key factor in achieving business goals. All our employees have equal opportunities for further training, according to the requirements of their job descriptions.

Employee safety is a key segment of business organisation, from acquiring raw materials to production, warehousing and distribution. Upon accepting employment, each worker is shown how to operate the various pieces of equipment and machinery relevant to their particular post. Maximum safety conditions at work are achieved by ensuring that all tools and devices necessary for daily operations are in good working order, while employees are given ongoing training in the necessary safety measures.

Good interpersonal relationships at work are an important factor in creating a successful, motivating work environment, so the Vindija Group strives to improve them through various activities on a daily basis.

As a company which has developed on family tradition and values, the Vindija Group pays particular attention to employees who are also parents, and gives them extra benefits, including gifts for new-born infants, holiday gifts, help with education, etc. At Christmas each year, the Vindija Group acknowledges long years of dedicated service, marking jubilee years celebrated by individual employees by paying them bonuses equivalent to the number of years they have worked for the company.

Measured outcomes

The implementation of the principles of the *Declaration of Human Rights* is evident at all levels of protecting the rights of employees, and antidiscrimination measures are implemented consistently throughout the entire Vindija Group.

Environmental Principles

Assessment, policy and goals

The Vindija Group applies the highest standards of environmental protection and is proactive in its policies for preserving the environment in all work processes. The area around Vindija's plants include green spaces and industrial park architecture, and we respect the balanced relationship between the built-up areas and the surrounding nature.

Since we are aware that socially responsible business operations today must include care for the environment, the Vindija Group uses modern technological solutions in its plants to minimise the negative effects of industry on the ecological equilibrium. All our plants have valid environmental permits and operate in line with laws and regulations governing environmental protection issues. By introducing ecological innovations in our plants, our business operations are conducted in line with environmental protection principles, with the aim of reducing harmful effects on nature.

Implementation

Vindija's energy resources are the following (in descending order): electricity, gas, light heating oil (as an alternative in case of gas shortages).

Our cooling devices do not use gases harmful to the ozone layer, but NH₃ with indirect media, ice water, cold water and ethylene glycol for air conditioning.

All our plants have a special regime for processing secondary raw materials. Paper is collected and taken away daily, while plastic wrappers and other artificial objects are separated and compressed in order to reduce their negative effects on the environment as far as possible. Since the *Ordinance on Packaging Materials* came into effect, Vindija has adopted the obligation to the Fund in terms of the disposal of waste packaging.

Emissions caused during the production process have no negative effects on the soil, and we carry our regular, individual measurements of air pollutant emissions in order to prevent environmental pollution.

The Vindija Group works according to an operational plan for intervention in environmental protection, according to the Environmental Protection Act, and all regulations linked to environmental protection are aligned with the legal requirements of the European Union.

Measured outcomes

In all the Vindija Group's business processes, from collaboration with co-operants to distributing finished products in the sales network, no negative effects on the environment have been recorded, so the principles of environmental protection in the Global Compact have been upheld in practice.

The Vindija Group implements the principles of environmental protection at all levels of operation, from technological equipment used in production to the everyday conduct of employees, who are actively encouraged to be exemplary in their responsible, conscientious approach to the environment.

The Community

Assessment, policy and goals

For almost 60 years, the Vindija Group has been contributing to improving public health, culture and sports through many activities and projects in the area of education, for the ongoing development of the community in which we work. By actively participating in the life of the local and wider communities, the Vindija Group has made its mark in improving the quality of life for its fellow-citizens.

Implementation

Promoting the importance of milk and dairy products in school meals by inclusion in the EU project 'European Milk in Schools', 2017/8

Humanitarian work and helping those in need have been an essential part of the Vindija Group's activities from the outset, and 2018 was no exception. Recognising the community's needs, Vindija has paid special attention in the last year to children and young people as socially vulnerable groups in society.

As in recent years, in 2018 the Vindija Group donated its products to the Safe House in Vukovar, which provides support for victims of violence, and helped young children and their carers in children's homes in Zagreb, Rijeka and Slavonski Brod through donations.

Continuing a long tradition, the company also joined in humanitarian efforts this year through Croatian Caritas's campaign *For a thousand joys* and donated its products to enable better holiday fare for the most vulnerable Croatian families. As a mark of its particular sensitivity to the needs of its fellow-citizens, the Vindija Group donated its milk and dairy products to the local branch of Caritas in Varaždin County.

Since nutritional habits are acquired in early childhood and affect the choice of ingredients and dietary styles in later life, Vindija also participated this year in the *Milk in Schools* programme, which aims to emphasise the importance of consuming dairy products and making healthy ingredients available to children. Our 'z *bregov* fresh milk, which was awarded the title of the best fresh milk in Croatia this year, has thus become an essential part of all elementary children's weekly diets. We continued to educate children about the nutritional values of food and promote healthy nutritional values by participating in the *World Day of School Milk* and *Milk Day* in Vukovar.

From the outset, Vindija has supported in various ways projects which affect positively the development of the local community, by promoting education and the protection of cultural heritage. Our long-term sponsorship of the largest street festival in the Varaždin area, *Špancirfest*, and of a unique musical event in this part of Europe, the *Varaždin Baroque Evenings*, stands out.

Apart from investing in cultural events and donating to humanitarian organisations, the Vindija Group has throughout the year supported sports clubs, associations and individuals. We are particularly proud of the successes noted by local sports teams, and have for a number of years supported and cheered on our basketball, wrestling, baseball, handball and gymnastic teams, who have returned from domestic and international competitions with many medals.

Measured outcomes

In accordance with social circumstances and our business policies, Vindija has been involved with the local community through various donations, and is recognised locally as a socially responsible company. As we continue to participate in various activities, primarily in order to influence quality of life and actively help those most in need, Vindija is making an important contribution to supporting the community according to its members' perceptions.

Anti-corruption principles

Assessment, policy and goals

In our business operations and daily activities, the Vindija Group pursues anti-corruption principles which have been the basis of its work since its inception. The company actively suppresses corruption in all forms, including extortion and bribery.

Implementation

The Vindija Group fully supports the efforts of state institutions to suppress corruption, and in its operations has adopted the principles of fighting corruption, in order to make a contribution to anti-corruption goals.

Anti-corruption principles have been adopted at all levels of the Vindija Group, and the management regularly implements various training programmes in order to identify all forms of illegal operations in its own work, and to prevent them through appropriate action. When participating in public procurement procedures, Vindija ensures it acts in accordance with all the laws of the Republic of Croatia.

Measured outcomes

In the reporting period, Vindija was not involved in any legal cases linked to corruption or bribery.