

Monitored Party Sakic d.o.o.	amfori ID 070-000008-000	Address KAONIK BB, 72260 Busovaca, Federacija Bosne i Hercegovine, Bosnia And Herzegovina
Monitoring Activity amfori Social Audit - Manufacturing	Monitoring Type Full Monitoring	Monitoring Partner TUV Rheinland
Monitoring Start Date 31/08/2021	Closing Meeting Finished Date 31/08/2021	Submission Date 16/09/2021
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Site Sakic d.o.o	Site amfori ID 070-000008-001	

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OVERALL RATING



SECTION RATING

PA1: Social Management System	A	
PA 2: Workers Involvement and Protection	A	
PA 3: The Rights of Freedom of Association and Collective Bargaining	A	
PA 4: No Discrimination	A	
PA 5: Fair Remuneration	A	
PA 6: Decent Working Hours	A	
PA 7: Occupational Health and Safety	A	

PA 8: No Child Labour	A	
PA 9: Special Protection for Young Workers	A	
PA 10: No Precarious Employment	A	
PA 11: No Bonded Labour	A	
PA 12: Protection of the Environment	A	
PA 13: Ethical Business Behaviour	A	

GENERAL DESCRIPTION

The company was founded on 01.02.1999. as a family company. The company is registered at the address Carice bb, but has no activities there. At 27.09.2017. the company purchased the production facilities and the land belonging to the company Tvornica medijapan ploča "MEDIJAPAN" d.d. This facility is located at the address Kaonik bb, about 4 km away from the place of registration of the company. The total land area is 5172 m², and the business premises have an area of 2792 m² (production, packaging, 2 warehouse and social spaces). Given that the purchased object is partially ruined, its renovation was planned, but at the end it was decided to build a new facility on another location. The facility is still under construction, and completion is planned for 2023. During the audit, the whole building and all premises were visited. There are no other companies in the building. The company mainly deals with the production of charcoal for barbecue. 95% of the products are exported and the rest is harvested on the domestic market. Production in 2020 was 1700 t, and turnover 2 million eur. The company does not use subcontractors. The top production season is from February to August. The production process consists of the following stages:

1) Collecting and preparing wood, stacking in metal wagons; 2) Carbonization, the production process takes place in five furnaces in which the carbonization of wood is carried out under controlled conditions (automated process); 3) Finishing - cooling and screening 4) Packaging

The Auditee have a valid business license and all information provided before the audit is verified on the site. The production volume was increased, so that the number of workers also increased. In the time of audit the company employs 37 workers. The company owns a FSC certificate. Given the nature of the work, the furnaces works 24 hours permanently, so the working hours of the furnaces workers last from 7:00 to 19:00 and from 19:00 to 07:00, with the break after the working day being 24 hours. Workers on the packaging and warehouse work in one shift five days a week. Working hours are from 7:00 to 16:00 with 1 hour of rest, which is not included in the working hours (2 x 15 min + 30 min). Breaks are from 09:00 to 09:15, 12:00 to 12.30 and from 14:00 to 14:15). Administration works from 08:00 to 16:00.

Workers organize themselves for transportation to the work. The company does not provide transportation nor a meal to workers, but pay compensation for the food. Workers have at their disposal a resting room. Company do not provide to workers accommodation. Working conditions are appropriate. There is an evacuation plan, but it is not posted on the working premises, evacuation routes and exits are clearly marked, there are enough fire extinguishers and hydrants and first aid cabinets. There is a sufficient number of first aid providers (2).

Management calculated the amount of consumer basket based on statistical data, however, all workers do not receive salaries at that level.

The nature of the job is such that the work can not be performed by a younger person of 18 years. The youngest worker in the factory is 22 years old. Employees have a box for objections and suggestions. A representative of the worker is responsible for opening the box. However, the workers do not use it, but they all orally inform the workers' representative about problems and needs. So far there have been no documented complaints. Management has recognized its most important suppliers and customers and they are aware that the company has implemented the BSCI system. Management has recognized its most important stakeholder. The company is not a signatory of the collective agreement nor has a contract signed with the Employment Agency. The Auditee implemented the BSCI principles in their business. They have very well documented BSCI system and ensured that the principles are communicated to all employees through training. The Auditee enabled workers to get involved in the exchange of information on working conditions and labor rights. This is defined in the Human Rights Level document. The workers elected their representative at the beginning of 2019. Responsibilities and authorization of workers are defined in work contracts. Through training, workers receive the necessary competence. The Auditee enabled workers rights of freedom of association and collective bargaining. This is defined in the Human Rights Level document. The factory does not have trade union members.

In the Human Rights Level document is talking about issues regarding no discrimination. Workers which work in the factory belonging to three nationalities. According to the workers' statement, all religious holidays are respected and there is no discrimination on any basis.

Workers are paid the least guaranteed minimum wage. Workers receive payroll slips which showing night work, meal allowance and all law deductions. The salary is paid through the bank account no later than the 5th of the month for the previous month.

During the audit no overtime work was recorded. Auditee keep records on the presence of workers at work. Records of presence and payroll slips for 9 workers for the following months were checked: August 2020 and February and July 2021. Workers are entitled to freely leave the post after completion of work or, if necessary, with the approval of the manager. The Auditee applied all legal requirements regarding safety at work, made workplace risk assessment, performed workplace testing, testing of machinery and equipment, trained workers for the safe work, fire protection, and trained two

workers for first aid. Workers wear protective shoes, helmets and protective gloves. There are no children working in the company. Company has policy which forbids child work, documented in Decision on Ethical Business, Unemployment of Minors, Prohibition of Forced Labor and Discrimination. Company is checking the workers ID during the recruitment process to verify the real age of the workers. Personal files are checked for 9 sampled workers. All workers have working contracts with clearly stated job description, salary data, regular working hours, workers rights and responsibilities. Workers have social and health insurance as law requires. There are no forced or non voluntary work in the company. Workers are treated with dignity and respect. The workers were eager to talk to the auditor and freely gave answers to all questions. Most of them do not work long in the company and are satisfied with working conditions and treatment. The company has done an environmental protection study. The company has an environmental permit. Company is performing its business in line with ethical norms. Company has ethical code and anti-corruption policy. Personal files of employees are kept confidential. The Auditee understood the BSCI standard requirements very well and almost completely applied them to their company. The producers management cooperated with the auditor very good. They grant the auditors access to all areas, let perform worker interview, take photos, provide all required information and documents promptly. At the final meeting, the Auditee agreed with all the findings and showed good will to implement corrective actions based on the findings.

Notes:

COVID 19

The appearance of the corona virus did not negatively affect the business. Necessary preventive measures were taken to prevent the appearance and spread of the virus

The workers said they felt safe.

Following documents were not attached, due the fact that it is not applicable:

Contractor permits – company doesn't have contractors

Agency labor contracts – company doesn't hire workers via agencies

Governmental waivers

CBA – there is no CBA on force

Auditor: Ljiljana Tišma Mandić, RA, registration number 21702088

Auditing company: TUV Rheinland, APSCA Number: 11600007

Audit was organized with one additional person in the team, Ms. Sonja Batinić, observer.

SITE DETAILS

Site
Sakic d.o.o

Site amfori ID
070-000008-001

GICS Classification

Sector	Industry Group	Industry
Materials	Materials	Paper & Forest Products
Sub Industry		
Forest Products		

amfori Process Classifications

N.A.

NACE Classification

N.A.

GS1 Classifications

N.A.

Water Stress Situation

N.A.

METRICS

Key Metrics

Total workforce	37	Workers
Legal minimum wage in local currency	388,08	Monthly
Lowest wage paid for regular work at the site	611,4	Monthly
Calculated living wage in local currency	687,5	Monthly
Total sample	9	Workers

Other Metrics

Male workers	36	Workers
Female workers	1	Workers
Permanent workers - Male	16	Workers
Permanent workers - Female	1	Workers
Temporary workers - Male	20	Workers
Temporary workers - Female	0	Workers
Seasonal workers - Male	0	Workers
Seasonal workers - Female	0	Workers
Management - Male	2	Workers
Management - Female	1	Workers
Apprentices - Male	0	Workers
Apprentices - Female	0	Workers
Workers on probation - Male	0	Workers
Workers on probation - Female	0	Workers
Workers with night shift - Male	17	Workers
Workers with night shift - Female	0	Workers
Workers with disabilities - Male	0	Workers
Workers with disabilities - Female	0	Workers
Domestic migrant workers - Male	0	Workers
Domestic migrant workers - Female	0	Workers
Foreign migrant workers - Male	0	Workers
Foreign migrant workers - Female	0	Workers
Workers hired directly - Male	36	Workers
Workers hired directly - Female	1	Workers
Workers hired indirectly - Male	0	Workers
Workers hired indirectly - Female	0	Workers
Unionised workers - Male	0	Workers
Unionised workers - Female	0	Workers
Workers under CBA - Male	0	Workers
Workers under CBA - Female	0	Workers
Pregnant workers	0	Workers

Workers on parental leave - Male	0	Workers
Workers on parental leave - Female	0	Workers
Sample - Male	9	Workers
Sample - Female	0	Workers

FINDINGS

PA 2: Workers Involvement and Protection

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ENGLISH	LOCAL LANGUAGE
Finding(s)	
The auditee allowed workers to contact management through their representative or directly and set up a complaint and grievance box, however they did not document the grievance and suggestion procedure.	Provjeravani je omogućio radnicima da se obrate menadžmentu preko svog predstavnika ili direktno i postavio je sandučić za prigovore i žalbe, međutim nije dokumentovao proceduru za prigovore i žalbe.

PA 5: Fair Remuneration

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ENGLISH	LOCAL LANGUAGE
Finding(s)	
Management has calculated the amount of the consumer basket based on statistics, however, 90% of workers not receive salaries at that level. Management has not made an analysis of how it can reach the salaries needed for a decent life.	Menadžment je izračunao iznos potrošačke korpe na osnovu statističkih podataka, međutim, 90% radnika ne prima plate na tom nivou. Menadžment nije napravio analizu na koji način može dostići plate koje su potrebne za pristojan život.

PA 7: Occupational Health and Safety

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ENGLISH	LOCAL LANGUAGE
Finding(s)	
The evacuation plan was available, a practical evacuation exercise was carried out, but evacuation plans were not set up in business premises.	Plan evakuacije je na raspolaganju, izvršena je praktična vježba evakuacije ali planovi evakuacije nisu postavljeni u poslovnim prostorijama.
The company trained two first-aiders, provided enough cabinets for first aid, however, no instructions for handling injuries and trauma were available.	Kompanija je obučila dva pružaoca prve pomoći, obezbijedila dovoljno ormarića za prvu pomoć, međutim nije na raspolaganju uputstvo za postupanje u slučaju povreda i trauma.