

# ATLANTE

## POLICY ON ETHICAL EMPLOYMENT

### POLICY STATEMENT

*« We believe it is the responsibility of our company to ensure sound labour and human rights practices occur throughout our supply chain».*

Atlante is a dynamic Italian company with headquarters in Casalecchio di Reno (Bologna), operating in the large-scale food retail sector as strategic partner for major National and International chains when it comes to selecting, importing and distributing products that are affordable, safe, legal and of the best quality. We have an internal panel of professionals with a high level of technical, commercial and financial skills working with producers and customers to find innovative and successful market solutions. As a centre of excellence, Atlante selects producers according to very demanding quality, ethics and sustainability standards.

However, to make profit is not a sufficient reason for Atlante to do business, should our achievements not permit professional realization opportunities and good discretionary incomes for all of our employees and their families, as well as fair profits for all of those participating to our success.

In our role as partners of both retailers and producers, and with the final consumer always in mind, at Atlante we recognise the responsibility that we share with our suppliers, associated contractors or any other 3rd parties engaged in the supply chain to operate ethically.

Ethical trade is about the purchasing practices of our business and the steps we take to ensure that we, and our supplier companies, respect workers' rights. Promoting decent working conditions within our organisation and our supply chain is part of our strategy to act in a socially responsible manner.

Already a member of Sedex since 2015, in order to cope with the high standards of all customers bound to the UK Modern Slavery Act, since January 2020 Atlante has been adhering to the Food Network on Ethical Trade (FNET) with the aim of keeping up-to-date with the ethical risks occurring across supply chains and share a common approach to manage such risks with other major food companies and retailers.

In pursuit of our aims, we require that all our suppliers, associated contractors or any other parties we engage with comply with this Ethical Employment Policy, which is based on the Fundamental Conventions of the International Labour Organisation (ILO) and Ethical Trade Initiative (ETI) Base Code. The requirements outlined in this document are in addition to all applicable legislation as relevant (UK, EU and international).

We expect all our suppliers, associated contractors and other parties engaged in our supply chain, to have ethical processes and policies in place and Atlante will only continue to work with those who share our commitment to ethical business practice.

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This policy is to support with guidance and instruction on the minimum standards acceptable to Atlante in the supply of goods within our supply chain.

Our suppliers, contractors, sub-contractors and other parties in our supply chain are expected to comply with national and other applicable laws as well as our policy outlined below.

If suppliers, contractors, sub-contractors and other parties in our supply chain are found to be in violation of local and other applicable laws and/or Atlante's Ethical Employment Policy then appropriate action will be taken. This may include, but not be limited to, uptake of a compliance improvement programme and training, temporary suspension of supply or in some cases, termination of supply.

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Depending on our internal risk rating of our tier-1 suppliers, we will monitor compliance as follows:

Risk rating*	Reference final customer	Desktop verification	2 <sup>nd</sup> party audit	Independent 3 <sup>rd</sup> party audit	Ethical certification (SA8000, SIZA)	Sedex membership
High	All	Every six-months	<b>Every two years</b> ; suppliers shall engage with Atlante to implement a <b>two-years project</b> to improve working conditions at their operations	Within 12 months before first production, shared via Sedex <b>After, upon request</b>	Accepted in alternative to Sedex Membership	Mandatory
	Customers bound to the UK Modern Slavery Act	Every six-months	<b>Yearly</b> , by Atlante PTs <i>along with technical assessment</i> ; suppliers shall engage with Atlante to implement a <b>one-year project</b> to improve working conditions at their operations	<b>Yearly</b> , shared via Sedex	Accepted in alternative to Sedex Membership	Mandatory
Medium	All	Yearly	<b>Upon request</b>	<b>Upon request</b>	Recommended	Recommended
	Customers bound to the UK Modern Slavery Act	Yearly	<b>Yearly</b> , by Atlante PTs along with technical assessment	<b>Every two years</b> , shared via Sedex	Accepted in alternative to Sedex Membership	Mandatory
Low	All	Yearly	<b>Upon request</b>	<b>Upon request</b>	Advantageous	Advantageous
	Customers bound to the UK Modern Slavery Act	Yearly	<b>Upon request</b>	Within 12 months before first production, shared via Sedex <b>After, upon request</b>	Accepted in alternative to Sedex Membership	Mandatory

\*Based on Country and /or sector-specific risk, retailers-specific requirements and results from previous supplier assessments.

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Where necessary and/or appropriate we will share our learnings, approach and tools with our suppliers, associated contractors or other parties engaged in our supply chain to aid with risk management, compliance, continuous improvement and capacity building.

Within this, we include the requirement for those parties to provide reasonable information as evidence of compliance with our Ethical Employment Policy should it be deemed necessary as determined through our risk assessments. With this in mind, desktop verification, 3rd party audits and compliance improvement programmes may be requested by Atlante at any time and without prior notice.

Atlante will provide suppliers, contractors, sub-contractors and other parties in our supply chain with training and awareness on our standards and policy and support should they require it with the implementation and maintenance of our policy.

**Responsibility**

The overall responsibility for this policy lies with the Atlante’s CEO, Natasha Linhart.

The strategy to achieve or keep compliance to this policy lies with the Atlante’s Technical and Ethical Manager (Gaetano Mattiuzzo) supported and advised by a multidisciplinary team, the Ethical Performance Team, whose members belong to different Atlante’s departments (Quality, Purchasing, H.R, Supply chain, Marketing).

The Ethical Performance Team is chaired by the Atlante’s Executive Ethical Manager (Gian Stefano Cecca) who is responsible for the strategy effective implementation.

**Requirements for specific manufacture sectors**

Some specific sector needs to be paid more effort in controlling compliance to this Policy and an extent of the controls beyond tier 1 suppliers.

It is the case of canned tomato in Italy, and other manufacture activities that directly source raw-materials from the agriculture at high-risk geographic areas.

For all of these latter, Atlante’s tier-1 suppliers in addition to the respect of the provisions included in this policy shall demonstrate their commitment to put in place an effective mitigation plan based on a robust tier-2 suppliers’ risk assessment. Furthermore, suppliers shall provide unfettered support to Atlante in both desktop and field assessments, including 3rd party assessments, that Atlante will deem necessary across their supply base.

**Policy Commitments**

Suppliers, associated contractors or 3rd parties to Atlante shall commit to ensure that the following commitments are made:

- 1. Employment is freely chosen**
  - 1.1. There is no forced, bonded or involuntary prison labour.
  - 1.2. Workers are not required to lodge "deposits" or their identity papers with their employer and are free to leave their employer after reasonable notice.

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**2. Freedom of association and the right to collective bargaining are respected**

- 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.
- 2.5. The employer disallows the use of blacklists/prohibited lists anywhere within the organisation or the supply chain, contractors or any other 3rd parties engaged with.

**3. Working conditions are safe and hygienic**

- 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 and 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 and safety to a senior management representative.

**4. Child labour shall not be used**

- 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. "Child" and "child labour" are defined into the two ILO fundamental regulatory instruments on this matters: ILO Minimum age Convention n. 138 /1973 and ILO Worst Forms of Child Labour Convention n. 182 /1999.
- 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.

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**5. Living wages are paid**

- 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.
- 5.4 Workers don't have deductions from their wages for training, uniforms, accommodation or equipment costs.

**6. Working hours are not excessive**

- 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<sup>1</sup>.
- 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

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<sup>1</sup> International standards recommend the progressive reduction of normal hours of work, when appropriate, to 40 hours per week, without any reduction in workers' wages as hours are reduced.

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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.

**7. No discrimination is practised**

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.

**8. Regular employment is provided**

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.

8.3 Where labour agencies are used by suppliers, other associated contractors or 3rd parties engaged in the supply chain the following must occur:

- Employment agencies contracted to supply temporary staff shall demonstrate commitment to and application of the requirements of ILO Fair Recruitment Initiative
- Employment agencies contracted to supply temporary staff shall ensure that all staff supplied are legally and ethical sourced incorporating the International Recruitment Integrity System (IRIS) Principles (or equivalent), where relevant and as far as reasonably practicable

**9. No harsh or inhumane treatment is allowed**

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.

**10. Fair payment terms are in place**

10.1 Business and payment practices will not contribute to the use of illegal or unethical employment practices

10.2 Undue cost and time pressures will not be applied if this is likely to result in unethical treatment of workers.

10.3 Suppliers, associated contractors and third parties will be paid on time – within 30 days of receipt of a valid invoice.

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This policy is revised by the Company's Ethical Performance Team and signed off by the Atlante's CEO every six-months.

For further information on this policy and its requirements please contact our Executive Technical Manager [cecca@atlantesrl.it].

Should you wish to communicate known violations to this policy please contact [csr@atlantesrl.it]

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