



Sedex Members Ethical Trade Audit Report

Version 6.1



Audit Details				
Sedex Company Reference: <i>(only available on Sedex System)</i>	ZC419401474	Sedex Site Reference: <i>(only available on Sedex System)</i>	ZS419423693	
Business name (Company name):	Check Point Company for Readymade Clothes			
Site name:	Check Point Company for Readymade Clothes			
Site address:	6 Zain El-Din Garfas, Sinnuris, Faiyum Governorate Faiyum 63511 EG	Country:	EG	
Site contact and job title:	Mr. Ahmed HAMZA / General Manager			
Site phone:	01006323280	Site e-mail:	check_point2018@yahoo.com	
SMETA Audit Pillars:	<input checked="" type="checkbox"/> Labour Standards	<input checked="" type="checkbox"/> Health and Safety (plus Environment 2-Pillar)	<input type="checkbox"/> Environment 4-pillar	<input type="checkbox"/> Business Ethics
Date of Audit:	2024-06-11			

Audit Company Name:
Intertek Egypt

Audit Conducted By					
Affiliate Audit Company	<input checked="" type="checkbox"/>	Purchaser	<input type="checkbox"/>	Retailer	<input type="checkbox"/>
Brand owner	<input type="checkbox"/>	NGO	<input type="checkbox"/>	Trade Union	<input type="checkbox"/>
Multi-stakeholder	<input type="checkbox"/>	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 (March 2019) 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.

Auditor Team			
Lead Auditor:	assem abbas	APSCA Number:	21700695
Additional Auditors:			
Date of declaration:	2024-06-11		

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.

Site Representation	
Full Name:	Mr. Ahmed HAMZA
Title:	General Manager
Date of declaration:	2024-06-11
Comments: <i>Any exceptions to this must be recorded here (e.g. different sample size): Sampled wage records from the past 5 months were provided for review (5 months only since the operation for digital thermometer just started last Sep 2020). The audit took 2.0 man-days (9AM-6PM per day). Audit time was extended until 8PM due to the extent of documentation; this was agreed upon with the factory representatives</i>	
Due to all non-conformities corrected through desktop review, the auditor added the non-conformity closures in the related current system section in each area.	

Summary of Findings

Issue <small>(please click on the issue title to go direct to the appropriate audit results by clause)</small>	Area of Non-Conformity		Number of issues			Findings
	ETI	Local Law	NC	Obs	GE	
0A - Universal rights covering UNGP			0	0	0	
0B - Management systems and code implementation			0	0	0	
1 - Freely chosen employment			0	0	0	
2 - Freedom of association and right to collective bargaining are respected			0	0	0	
3 - Working conditions are safe and hygienic			0	0	0	
4 - Child labour shall not be used			0	0	0	
5 - Living wages are paid			0	0	0	
6 - Working hours are not excessive			0	0	0	
7 - No discrimination is practiced			0	0	0	
8 - Regular employment is provided			0	0	0	
8A - Subcontracting and homeworking			0	0	0	
9 - No harsh or inhumane treatment is allowed			0	0	0	
10A - Entitlement to work and immigration			0	0	0	
10B2 - Environment 2-pillar			0	0	0	
10B4 - Environment 4-pillar			0	0	0	
10C - Business ethics 4-pillar			0	0	0	

Site Details

Site Details			
Company Name	Check Point Company for Readymade Clothes		
Site Name	Check Point Company for Readymade Clothes		
GPS location (if available)	GPS Address:	https://www.google.com/maps/place/Check+point/@29.3913841,30.8714518,17z/data=!3m1!4b1!4m6!3m5!1s0x1459775dd3799d15:0x92631bae9e7b670d!8m2!3d29.3913841!4d30.8714518!16s%2Fg%2F11rfb1g77z?entry=ttu	
	Coordinates:	N 29.39197 , E 30/87137	
Applicable business and other legally required licence numbers and documents, for example, business license number, liability insurance, any other required government inspections	Commercial registration issued from ministry of Internal Trade & Supply no. 64 issued date 13/03/2023 and valid till 18/03/2028. - Tax card # 557-726-832 issued from Ministry of Finance valid from 25/10/2021- to 24/10/2026. - Operating license certificate issued from Ministry of Trade & Industry - Industrial Development Authority no. 1121080302014641 issue date 08/08/2023 - valid till 08/08/2024. -Industrial Certificate Registration issued from Ministry of Trade & Supply - Industrial Development Authority - no. (2021) 1121080301009970 issue date 15/08/2021 and valid till 14/08/2026.		
Products/Activities at site, for example, garment manufacture, electricals, toys, grower, cutting, sewing, packing etc	The facility is a manufacturer of Readymade garments, tops and bottoms for ladies, men, and children such as T-Shirt, short set, pant set, sweatshirt and dress.		
Site description: (Include size, location, and age of site. Also, include structure and number of buildings)	The facility is located in Sinnuris village, Faiyum governorate in the middle of Egypt located about KM 130 southwest of Cairo and surrounded by residential area. The facility consists of one building with a total Land area of 1000 square meters of 3 floors, each floor SQM 1000. The building is 40 years old and constructed of bricks and cement, last floor is constructed of sandwich panel ceiling / Steel sheet. No dormitory is provided by the facility.		
Structure and number of buildings	Building Name:		Main building
	Floor	Description	Remark
	Ground floor	including Cutting section and fabric warehouse	1000 square meter
	First floor	including Ironing section and packing section.	1000 Square meter
	Second floor	including Sewing, building age 40 years old.	1000 Square meter
Visible structural integrity issues (large cracks) observed?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No Please give details: It was noted that there are cracks in the roof of the new fabric warehouse.		

Does the site have a structural engineer evaluation?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No Please give details: Building evaluation certificate issued by the competent engineer on 09/01/2024.
Site function	<div> <input type="checkbox"/> Agent <input checked="" type="checkbox"/> Factory Processing/Manufacturer </div> <div> <input type="checkbox"/> Finished Product Supplier <input type="checkbox"/> Grower </div> <div> <input type="checkbox"/> Homeworker <input type="checkbox"/> Labour Provider </div> <div> <input type="checkbox"/> Pack house <input type="checkbox"/> Primary Producer </div> <div> <input type="checkbox"/> Service Provider <input type="checkbox"/> Sub-contractor </div>
Months of peak season	Select a month to Select a month
Process overview	Cutting, sewing, quality control, ironing, and packing, there are 2 production lines and 112 sewing machines. Production capacity 30000 pieces per month.
What form of worker representation is there on site?	<input type="checkbox"/> Union <input checked="" type="checkbox"/> Worker Committee <input type="checkbox"/> Other <input type="checkbox"/> None
Please give details:	There are 2 workers representatives elected workers.
Is there any night production work at the site?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
Are there any on site provided worker accommodation buildings	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No Please give details:
Are there any off site provided worker accommodation buildings	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No Please give details:
Were all site provided accommodation buildings included in this audit	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No Please give details: No accommodation provided by the facility.

Audit Parameters			
Time in and time out	Day 1		
	In	09:00	
	Out	17:15	
Audit type:	PARTIAL_FOLLOW_UP		
Was the audit announced?	ANNOUNCED		
Who signed and agreed CAPR	Mr. Ahmed HAMZA / General Manager		
Is further information available	No		

Audit attendance	Management	Worker Representatives	
	Senior management	Worker Committee representatives	Union representatives
A: Present at the opening meeting?	Yes	Yes	No
B: Present at the audit?	Yes	Yes	No
C: Present at the closing meeting?	Yes	Yes	No
<i>Reason for absence at the opening meeting</i>	There was no union in the company.		
<i>Reason for absence during the audit</i>	There was no union in the company.		
<i>Reason for absence at the closing meeting</i>	There was no union in the company.		

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 or permanent resident 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*			Home workers	Total
	Permanent	Temporary	Agency	Permanent	Temporary	Agency		
Worker numbers – male	16	0	0	0	0	0	0	16
Worker numbers – female	22	0	0	0	0	0	0	22
Total	38	0	0	0	0	0	0	38
Number of Workers interviewed – male	6	0	0	0	0	0	0	6
Number of Workers interviewed – female	4	0	0	0	0	0	0	4
Total – interviewed sample size	10	0	0	0	0	0	0	10

Nationalities Structure		
Nationality of Management	Egyptian	
Please list the nationalities of all workers, with the three most common nationalities listed first.	Nationality 1: Egyptian	approx %: 100%
Was this list completed during peak season?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No Please give details: No peak seasons in the facility.	
Worker remuneration	Workers on piece rate:	0%
	Paid hourly:	0%
	Salaried:	100%
Payment cycle	Paid daily:	0%
	Paid weekly:	0%
	Paid monthly:	100%
	Other:	0%
	Details for other:	None.

Worker Interview Summary			
Were workers aware of the audit?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No		
Were workers aware of the code?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No		
Number of group interviews:	One group of 4 workers.		
Number of individual interviews:	Male:	6	Female: 0
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.	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No Please give details:		
Interviews were done in private and the confidentiality of the interview process was communicated to the workers?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No		
In general, what was the attitude of the workers towards their workplace?	<input checked="" type="checkbox"/> Favorable <input type="checkbox"/> Non-favourable <input type="checkbox"/> Indifferent		
What was the most common worker complaint?	None.		
What did the workers like the most about working at this site?	Good treatment and relation with management and thier colleagues.		
Any additional comment(s) regarding interviews:	None.		
Attitude of workers to hours worked:	From workers interviews working hours are convenient and optional.		
Is there any worker survey information available?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No Please give details:		

Attitude of workers:

10 workers were selected for interview including 6 males and 4 females' employees, they were interviewed as one groups of 4 and the balance of 6 workers were interviewed individually. The workers were assured of confidentiality, and they spoke freely of their views of the factory. All workers said they were satisfied with their employment at the factory and that they were satisfied with the current wages which in their view were in line with wages in the locality. They felt free to leave this employer and understood the notice period required. They had good relationships with their supervisors and managers who treated them with respect. Workers interviews were covered all kind of workers, all workers in facility were permanent. They were able to make suggestions to their supervisors and team leaders and sometimes they had seen these suggestions used. They felt able to complain directly to their supervisors but also felt free to give their general concerns, such as raising salaries, treatment, leaves, and bonus.

Attitude of worker's committee/union reps:

Worker's representatives' attitude was positive towards the workplace.

Attitude of managers:

The factory management has a system in place to review their current practices in relation to their clients' requirements and local laws. They have noted the internal audit team's findings. As a result, they have recently implemented a health and safety committee to address health and safety concerns. The managers responsible for implementing legal and code standards were open with the auditors and accepted all the findings.

0A - Universal Rights covering UNGP
[Summary of Findings]

0A: Compliance Requirements

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 endorsed at the highest level, covering human rights impacts and issues, and ensuring it is communicated to all appropriate parties, including its suppliers.
- Designated person responsible for implementing standards concerning Human rights has been appointed.
- The company identified its stakeholders and salient issues.
- The company measures its direct, indirect, and potential impacts on stakeholders.
- The company has procedures to address these issues and enable effective remediation.
- A transparent system is in place for confidentially reporting and dealing with human rights impacts without fear of reprisals towards the reporter.

Evidence examined:

- Facility policies.
- Document's review.
- Management interview.
- Training records review.
- Worker's interview.

Any other comments:

None.

Policy statement that expresses commitment to respect human rights?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No Please give details: The policy established, endorsed at the highest level, to cover human rights impacts and issues, and ensure it is communicated to all appropriate parties, including its own suppliers.
Are the policies included in workers' manuals?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No Please give details: Human rights policies included in the Workes' handbook.

Does the business have a designated person responsible for implementing standards concerning Human Rights?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No Please give details: Mr. Ahmed HAMZA – Genral Manger
Does the business have a transparent system in place for confidentially reporting, and dealing with human rights impacts without fear of reprisals towards the reporter?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No Please give details: The facility established transparent system for confidentially reporting and dealing with human rights impacts without fear of reprisals towards the reporter.
Does the grievance mechanism meet UNGP expectations? (Legitimate, Accessible, Predictable, Equitable, Transparent, Rights-compatible, a source of continuous learning and based on stakeholder engagement)	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
Does the business demonstrate effective data privacy procedures for workers' information, which is implemented?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No Please give details: The facility implements policies and procedures to ensure the confidentiality of employee data is maintained in a secure location.
Measuring Workplace Impact	
Annual worker turnover(Number of workers leaving in last 12 months as a % of average total number of workers on site over the year (annual worker turnover))	Last year 10.0% This year 12.5%
Current % quarterly (90 days) turnover(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])	10.0%
Annual % absenteeism(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] * number available workdays in the year)	Last year 7.0% This year 4.0%
Quarterly (90 days) % absenteeism(Number of days lost through job absence in the period / [(Number of employees on 1st of the period + Number of employees on the last day of the period / 2] * Number of available workdays in the month)	2.0%
Are accidents recorded?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No Please give details: The facility has policies and procedures to records all accidents.

Annual Number of work related accidents and injuries per 100 workers((Number of work related accidents and injuries * 100) / Number of total workers)	Last year	0.0%
	This year	0.0%
Quarterly (90 days) number of work related accidents and injuries per 100 workers((Number of work related accidents and injuries * 100) / Number of total workers)	0.0%	
Lost day work cases per 100 workers([(Number of lost days due to work accidents and work related injuries * 100) / Number of total workers)	Last year	0.0%
	This year	0.0%
% of workers that work on average more than 48 standard hours / week in the last 6 / 12 months	6 month	0.0%
	12 month	0.0%
% of workers that work on average more than 60 total hours / week in the last 6 / 12 months	6 month	0.0%
	12 month	0.0%

0B - Management Systems and code Implementation [Summary of Findings]

0B: Compliance Requirements

- 0.B.1 Suppliers are expected to implement and maintain systems for delivering compliance to this Code.
- 0.B.2 Suppliers shall appoint a senior member of management who shall be responsible for compliance with the Code.
- 0.B.3 Suppliers are expected to communicate this Code to all employees.
- 0.B.4 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.
- 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

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 facility is IOS9001: 2015 certificated – Certificate # QAIS- Q -EG -CP-04.21.23 issued on 14/06/2023 and valid till 16/06/2024.
- The facility is WRAP certificated - Certificate # 124713 issued on 28/08/2023 and valid till 28/08/2024.
- There is a senior member of management who is responsible for compliance with the Code (Mr. Ahmed HAMZA – General Manager).

Follow-up audit (June 11th, 2024): corrective actions have been taken.

During the audit, per the site's tour, it was noted that the ETI base code was posted at the entrance of the factory, and the ETI base code was communicated with all the company's employees on May 15, 2024.

Evidence examined:

- Facility policies.
- Internal audit records
- Management interview
- Training records review.
- Worker's interview.

Any other comments:

None.

Management Systems

In the last 12 months, has the site been subject to any fines/prosecutions for non-compliance to any regulations?

☐ Yes ☒ No

Please give details:

The facility was not subject to any fines.

Do policies and/or procedures exist that reduce the risk of forced labour, child labour, discrimination, harassment & abuse?

☒ Yes ☐ No

Please give details:

Facility policies and procedures are established to mitigate the risks of forced labor, child labor, discrimination, harassment, and abuse.

If Yes, is there evidence (an indication) of effective implementation? Please give details.

Following the facility tour and interviews with employees, there were no indications of forced labor, child labor, discrimination, harassment, or abuse.

Have managers and workers received training in the standards for forced labour, child labour, discrimination, harassment & abuse?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No Please give details: ETI base code was posted at the entrance of the factory, and the ETI base code was communicated with all the company's employees on May 15, 2024.
If Yes, is there evidence (an indication) that training has been effective e.g. training records etc.? Please give details	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No Please give details: The facility provides training record in each worker personal files for reference.
Does the site have any internationally recognised system certifications e.g. ISO 9000, 14000, OHSAS 18000, SA8000 (or other social audits)?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No Please give details: •The facility is IOS9001: 2015 certificated – Certificate # QAIS- Q-EG -CP-04.21.23 issued on 14/06/2023 and valid till 16/06/2024. •The facility is WRAP certificated - Certificate # 124713 issued on 28/08/2023 and valid till 28/08/2024.
Is there a Human Resources manager/department?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No A human resources department has been established to oversee worker recruitment and employment.
Is there a senior person /manager responsible for implementation of the code?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No Please give details: Mr. Ahmed HAMZA – General Manager.
Is there a policy to ensure all worker information is confidential?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No Please give details: The company HR policies procedures established to ensure the workers' information are kept secured and confidential.
Is there an effective procedure to ensure confidential information is kept confidential?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No Please give details: The company's HR policies and procedures are established to ensure that workers' information is kept secure and confidential.
Are risk assessments conducted to evaluate policy and procedure effectiveness?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No Please give details: The risk assessment conducted to evaluate policy and procedure effectiveness, and last update conducted on 01/01/2024.
Does the facility have a process to address issues found when conducting risk assessments, including implementation of controls to reduce identified risks?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No Please give details: Facility procedures for addressing issues identified during risk assessment include the implementation of controls to mitigate recognized risks.

Does the facility have a policy/code which require labour standards of its own suppliers?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No Please give details: The company communicates its code of conduct with its own suppliers by e-mail and through onsite audit where possible.
Land Rights	
Does the site have all required land rights licenses and permissions (see SMETA Measurement Criteria)?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No Please give details: Facility has all the required land rights licenses and permissions.
Does the site have systems in place to conduct legal due diligence to recognize and apply national laws and practices relating to land title?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No Please give details: The facility adhered to all national laws and practices concerning land title.
Does the site have a written policy and procedures specific to land rights?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No Please give details: The facility possesses documented policies and procedures for the resection of land rights.
Is there evidence that facility/site compensated the owner/lessor for the land prior to the facility being built or expanded?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No Please give details: The facility located inside the city and rented the factory and the land from the owner.
Does the facility demonstrate that alternatives to a specific land acquisition were considered to avoid or minimize adverse impacts?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No Please give details: The facility located inside the city and rented the factory and the land from the owner.
Is there any evidence of illegal appropriation of land for facility building or expansion of footprint?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No Please give details: The facility located inside the city and rented the factory and the land from the owner.

1 - Freely chosen Employment [Summary of Findings]

1: Compliance Requirements

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.

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 is a senior member of management who is responsible for compliance with the Code (Mr. Ahmed HAMZA – General Manager).
- All workers must present their IDs to prove their age but only copies must be kept in the personnel files and the original given back to the workers.
- There is no prison labor in the facility (plant tour).
- Employment relationship is voluntary (workers interview)
- Employees are free to leave once their shift ends (workers interview).

Evidence examined:

- Facility rules and regulations.
- Internal audit records
- Management interview
- Training records review.
- Worker's interview.

Any other comments:

None.

Is there any evidence of retention of original documents, e.g. passports/ID' (If yes, please give details and category of workers affected)	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No Please give details:
Is there any evidence of a loan scheme in operation (If yes, please give details and category of workers affected)	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No Please give details:
Is there any evidence of retention of wages / deposits (If yes, please give details and category of workers affected)	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No Please give details:
Are there any restrictions on workers' freedom to terminate employment?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No Please give details: None.
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?	<input type="checkbox"/> Yes <input type="checkbox"/> No <input checked="" type="checkbox"/> Not Applicable Please give details: The facility is not based on UK.

Is there evidence of any restrictions on workers' freedoms to leave the site at the end of the work day?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No Please give details: From worker's interviews, workers are free to leave the site at the end of the workday.
Does the site understand the risks of forced / trafficked / bonded labour in its supply chain	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> Not Applicable Please give details: The facility has conducted the risk assessment for policies and procedures includes the forced, trafficked and bonded labor.
Is the site taking any steps taking to reduce the risk of forced / trafficked labour?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No Please give details: The facility has conducted the risk assessment for policies and procedures include the forced, trafficked and bonded labor.

2 - Freedom of Association and Right to Collective Bargaining are Respected [Summary of Findings]

2: Compliance Requirements

- 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:

- There is a senior member of management who is responsible for compliance with the Code (Mr. Ahmed HAMZA – General Manager).
- No unions exist in the facility.
- There are 2 worker's representatives in the facility, freely elected by workers on 04/01/2023 meeting was conducted with management on 01/06/2024.
- Workers can raise their concerns directly to their managers, through the HR department and worker's representatives.

Evidence examined:

- Management interview.
- Employees interview.
- Site policy on freedom of association.

Any other comments:

None

What form of worker representation/union is there on site? (Please add the name of the union or committee in the textbox)	<input type="checkbox"/> Union <input type="checkbox"/> Other	<input checked="" type="checkbox"/> Worker Committee <input type="checkbox"/> None
Other details:	There are 2 worker's representatives in the facility, freely elected by workers on 04/01/2023 meeting was conducted with management on 01/06/2024.	
Is it a legal requirement to have a union?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	
Is it a legal requirement to have a worker's committee?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	
Is there any other form of effective worker/management communication channel? (Other than union/worker committee e.g. H&S, sexual harassment)	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No Please give details: Workers can raise their concerns directly to their managers, through HR department and worker's representatives.	
Is there evidence of free elections?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	

Does the supplier provide adequate facilities to allow the Union or committee to conduct related business?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No Please give details: The workers representative conducted monthly meetings with management and in case of any workers' concerns.
Name of union and union representative, if applicable:	No union in the facility.
Is there evidence of free elections?	<input type="checkbox"/> Yes <input type="checkbox"/> No <input checked="" type="checkbox"/> Not Applicable
If there is no union, is there a parallel means of consultation with workers e.g. worker committees?	No union in the facility.
Is there evidence of free elections?	<input type="checkbox"/> Yes <input type="checkbox"/> No <input checked="" type="checkbox"/> Not Applicable
Are all workers aware of who their representatives are?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No Please give details: From workers interviews, workers freely elected their representative and aware of them.
Were worker representatives freely elected?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
Date of last election:	2023-01-04
Do workers know what topics can be raised with their representatives?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
Were worker representatives/union representatives interviewed?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
If Yes, please state how many:	1.0
Please describe any evidence that union/worker's committee is effective? Specify date of last meeting; topics covered; how minutes were communicated etc.	The workers representative conducted monthly meetings with management to discuss any concerns form workers and last meeting was conducted on 01/06/2024.
Are any workers covered by Collective Bargaining Agreement (CBA)?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No

3 - Working Conditions are Safe and Hygienic [Summary of Findings]

3: Compliance Requirements

- 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.

Current Systems:

- Building evaluation certificate issued by the competent engineer on 09/01/2024.
- Electrical certificate issued by the competent engineer on 09/01/2024.
- There is a Health & safety committee consisting of 6 members and the last meeting was conducted on 01/01/2024.
- Health & safety committee members (6) training conducted from December 22nd, 2023 till December 26th, 2023 (advanced training).
- Injuries and accident recorded and last semi annual statistics for injuries & accidents provided to the labor office from 31/01/2023 till 30/06/2023 with no accidents.
- Last regular medical checkup for occupational diseases and was conducted in January 2024.
- There are workers 10 trained in first aid and the last training was conducted from 03/11/2023 to 07/11/2023.
- There are 15 workers trained on the fire fighting and last training was conducted on 22/10/2023 to 26/10/2023.
- Health & safety training was conducted for 6 workers from 22/12/2023 to 26/12/2023.
- Last fire drill on 10/12/2023, 46 employees attend the drill, evacuation time 1 minutes and 4 seconds.
- Maintenance for the fire alarm conducted internally and last maintenance was conducted on 01/01/2023.
- Maintenance for fire extinguishers conducted internally and last maintenance was conducted on 01/01/2023.
- Environmental measurements conducted during August 2023 all results within the legal limits.
- Drinking water analysis conducted on 15/08/2023 and all results within the legal limits.
- Civil defense approval dated 14/05/2023.
- HSE risk assessment conducted, and last update conducted on 01/01/2024.
- There are 30 fire extinguishers and 3 fire hydrants.
- There are 12 toilets (7 male & 5 female).

Follow-up audit (June 11th, 2024): corrective actions have been taken.

1. During the audit, per the workers' interviews and personal file reviews, it was noted that the selected ten workers conducted the medical examinations.
2. During the audit, per the site's tour, it was noted that the electrical wires were properly encased in the warehouses.
3. During the audit, per the site's tour, it was noted that the cutting workers were using their own steel gloves.
4. During the audit, per the site's tour, it was noted that all emergency exits were opened outward in the direction of egress.

Evidence examined:

- Plant tour
- Documents review
- Worker's interview
- Management interview
- Health and safety policy.

Any other comments:

None.

Does the facility have general and occupational Health & Safety policies and procedures that are fit for purpose and are these communicated to workers?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No Please give details: - Health & Safety procedures and policy has been established in the facility. - Orientation for HS policies given to all new employees upon hire.
Are the policies included in workers' manuals?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No Please give details: Health & Safety policies included in employee's handbook.
Are there any structural additions without required permits/inspections (e.g. floors added)?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No Please give details: No structural addition and building approved by the legal authority.
Are visitors to the site informed on H&S and provided with personal protective equipment?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No Please give details: Induction training provided and PPE for visitors prior to entering the site.
Is a medical room or medical facility provided for workers?(This section is to list evidence to support system description (Documents examined & relevant comments. Include renewal/expiry date where appropriate))	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No Please give details: Not required by law for this facility, total numbers of employees is less than 50 employees.
Is there a doctor or nurse on site or there is easy access to first aider/ trained medical aid?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No Please give details: There are workers 10 trained in first aid and the last training was conducted from 03/11/2023 to 07/11/2023.
Where the facility provides worker transport – is it fit for purpose, safe, maintained and operated by competent persons e.g. buses and other vehicles?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No Please give details: The facility provides rented transportation and reviewed by the facility management.
Is secure personal storage space provided for workers in their living space and is fit for purpose?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No Please give details: No dormitory provided by the facility.

Are H&S Risk assessments are conducted (including evaluating the arrangements for workers doing overtime e.g. driving after a long shift) and are there controls to reduce identified risk?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No Please give details: HSE risk assessment conducted, and last update conducted on 01/01/2024.
Is the site meeting its legal obligations on environmental requirements including required permits for use and disposal of natural resources?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No Please give details: Facility has all required licenses related environmental.
Is the site meeting its customer requirements on environmental standards, including the use of banned chemicals?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No Please give details: Facility has all required licenses related environmental.

4 - Child Labour Shall Not Be Used [Summary of Findings]

4: Compliance Requirements

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:

- There is a senior member of management who is responsible for compliance with the Code and for ensuring the standards are met Mr. Ahmed HAMZA – Genral Manager.
- Proof of age ID/Birth certificate copies were kept in all employees' personnel files.
- The minimum age applied in the facility is setup to 18 years old and above.
- The code is communicated to employees though internal training.
- The Youngest Age is age 19 years old born on 01/03/2004 and hired on 15/07/2023.

Evidence examined:

- Facility rules and regulations.
- Management interview
- Training records review.
- Employees interview.
- workers' files.

Any other comments:

None.

Legal age of employment:	15
Age of youngest worker found:	19
Are there children present on the work floor but not working at the time of audit?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
Percentage of under 18's at this site (of total workers)	0.0%
Are workers under 18 subject to hazardous work assignments?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
	Please give details:
	No young workers in the facility.

5 - Living Wages are Paid [Summary of Findings]

5: Compliance Requirements

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:

- Employees are paid regularly on a monthly basis, on the 5th of each month in cash.
- Wages are not withheld as a deposit.
- The minimum legal wage is 3000 EGP/ month, and the lowest wage observed paid in the facility is 3500 EGP/ month, Average 3795 EGP/ month & Highest 4500 EGP/ month.
- 5 months of payment and time records were available for review from January 2024 to May 2024, 10 records were reviewed from May 2024, April 2024 & March 2024.

Evidence examined:

- Documents review
- Management interview
- Worker's interview.
- Wages and benefits policy.

Any other comments:

During the audit, it was noted that the company submitted a request to the legal affair to have an exemption from the new minimum wage applied on June 1, 2024, where it was noted that the new current minimum wage is 6,000 EGP per month, and the exception was submitted to keep paying the minimum wage at 3500 EGP per month.

Summary Information

Criteria	Local Law	Actual at the Site	Is this part of a Collective Bargaining Agreement?
Standard/Contracted work hours: (Maximum legal and actual required working hours excluding overtime, please state if possible per day, week, and month)	Legal Maximum Per Day: 8.0 Per Week: 48.0 Per Month: 240.0	Actual Per Day: 8.0 Per Week: 48.0 Per Month: 208.0	NO
Overtime hours: (Maximum legal and actual overtime hours, please state if possible per day, week, and month)	Legal Maximum Per Day: 2.0 Per Week: 12.0 Per Month: 56.0	Actual Per Day: 2.0 Per Week: 12.0 Per Month: 47.0	NO

Wage for standard/contracted hours: (Minimum legal and actual minimum wage at site, please state if possible per hr, day, week, and month)	Legal Maximum Per Day: 116.6 Per Week: 875 Per Month: 3500	Actual Per Day: 116.6 Per Week: 875 Per Month: 3500	NO
Overtime wage: (Minimum legal and actual minimum overtime wage at site, please state if possible per hr, day, week, and month)	Legal Maximum Per Day: 1.35 Per Week: null Per Month: null	Actual Per Day: 1.35 Per Week: 0 Per Month: 0	NO
Wages Analysis:			
Were accurate records shown at the first request?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No		
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)	10 records were reviewed from May 2024 (current month). 10 records were reviewed from April 2024 (random month) 10 records were reviewed from March 2024 (random month)		
Are there different legal minimum wage grades? If Yes, please specify all.	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No		
If there are different legal minimum grades, are all workers graded and paid correctly?	<input type="checkbox"/> Yes <input type="checkbox"/> No <input checked="" type="checkbox"/> Not Applicable Please give details:		
For the lowest paid production workers, are wages paid for standard/contracted hours (excluding overtime) below or above the legal minimum?	<input type="checkbox"/> Below legal min <input checked="" type="checkbox"/> Meet <input checked="" type="checkbox"/> Above		
Lowest actual wages found: Note: full time employees and please state hour / week / month etc.	3500 EGP/ month.		
Please indicate the breakdown of workforce per earnings	0.0% of workforce earning under minimum wage 0.0% of workforce earning minimum wage 100.0% of workforce earning above minimum wage		
Bonus Scheme found: Please specify details:	Bonus Scheme found:The facility provides 200 EGP attendance bonus monthly. Note: type of employee (e.g. full time, temp, etc.) and please state which units e.g. /hour /week /month etc.		
What deductions are required by law e.g. social insurance? Please state all types:	Social insurances and income tax		
Have these deductions been made?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No		
Please list all deductions that have been made.	Social insurances and income tax		
Please list all deductions that have not been made.	None.		
Were appropriate records available to verify hours of work and wages?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No		
Were any inconsistencies found? (if yes describe nature)	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No		

Do records reflect all time worked? (For instance, are workers asked to attend meetings before or after work but not paid for their time)	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No Please give details: Based on employees' interviews and records review it was observed that records reflect all working hours.
Is there a defined living wage: This is not normally minimum legal wage. If answered yes, please state amount and source of info: Please see SMETA Best Practice Guidance and Measurement Criteria.	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No Please give details:
If yes, what was the calculation method used.	<input type="checkbox"/> ISEAL/Anker Benchmarks <input type="checkbox"/> Asia Floor Wage <input type="checkbox"/> Figures provided by Unions <input type="checkbox"/> Living Wage Foundation UK <input type="checkbox"/> Fair Wear Wage Ladder <input type="checkbox"/> Fairtrade Foundation <input type="checkbox"/> Other – please give details:
Are there periodic reviews of wages? If Yes give details (include whether there is consideration to basic needs of workers plus discretionary income).	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No Please give details: Wages reviewed every year according to the local law.
Are workers paid in a timely manner in line with local law?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
Is there evidence that equal rates are being paid for equal work:	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No Please give details: Per employees' interviews and wage records it was observed that equal rates paid to employees.
How are workers paid:	<input checked="" type="checkbox"/> Cash <input type="checkbox"/> Cheque <input type="checkbox"/> Bank Transfer <input type="checkbox"/> Other

6 - Working Hours are not Excessive [Summary of Findings]

6: Compliance Requirements

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:

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:

- No work is expected to be performed at home.
- Overtime work is voluntarily.
- Working hours in the facility are in 1 shift 08:30 to 16:30 with total break time of one hour.
- Facility uses fingerprint time keeping system.
- Employees are paid on monthly basis on the end of each month (5th day) through in cash.
- 5 months of payment and time records were available for review from January 2024 to May 2024, and 10 records were reviewed from May 2024, April 2024 & March 2024.
- Working hours in the sample were:
May 2024 maximum working hours 60 hours/week for 1 worker out of 10 selected workers.
April 2024 maximum working hours 60 hours/week for 1 workers out of 10 selected workers.
March 2024 maximum working hours 60 hours/week for 2 workers out of 10 selected workers.

Evidence examined:

- Documents review.
- Management interview.
- Employees interview.

Any other comments:

None.

Working hours' analysis

Systems & Processes

What timekeeping systems are used?	Finger print.
Is sample size same as in wages section?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
	Please give details:

Are standard/contracted working hours defined in all contracts/employment agreements? (If no, please give details including % and which type of workers do NOT have standard hours defined in contracts/employment agreements.)	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
Are there any other types of contracts/employment agreements used?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
Do any standard/contracted working hours defined in contracts/employment agreements exceed 48 hours per week? (If yes, please detail hours, %, types of workers affected and frequency.)	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
Are workers provided with at least 1 day off in every 7-day-period, or 2 in 14-day-period?	<input checked="" type="checkbox"/> 1 in 7 days <input type="checkbox"/> 2 in 14 days <input type="checkbox"/> No (please explain)
Is this allowed by local law?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
Maximum number of days worked without a day off (in sample):	6
Standard/Contracted Hours worked	
Were standard working hours over 48 hours per week found? (If yes, % of workers & frequency)	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No % of workers: null% Frequency:
Any local waivers/local law or permissions which allow averaging/annualised hours for this site? (If yes, please give details.)	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
Overtime Hours worked	
Actual overtime hours worked in sample (State per day/week/month)	May 2024 maximum working hours 60 hours/week for 1 worker out of 10 selected workers. April 2024 maximum working hours 60 hours/week for 1workers out of 10 selected workers. March 2024 maximum working hours 60 hours/week for 2 workers out of 10 selected workers
Combined hours (standard or contracted + overtime hours = total) over 60 found?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No Please give details: Total working hours not exceeded 60 hours per week.
Approximate percentage of total workers on highest overtime hours:	30.0%
Is overtime voluntary? (Please detail evidence e.g. Wording of contract / employment agreement / handbook / worker interviews / refusal arrangements)	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> Conflicting Information Please give details: Based on facility polices and workers interviews it was observed that overtime not forced.
Overtime premium	

Are the correct legal overtime premiums paid? (Please give details of normal day overtime premium as a % of standard wages)	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A – there is no legal requirement to OT premium Please give details: 135% for day overtime hours, 170% for night overtime hours, 200% for public holidays and 100% and one day instead in next week for rest days.
Is overtime paid at a premium?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No 135% for day overtime hours, 170% for night overtime hours, 200% for public holidays and 100% and one day instead in next week for rest days.
If the site pays less than 125% OT premium and this is allowed under local law, are there other considerations? Please complete the boxes where relevant.	<input type="checkbox"/> No <input type="checkbox"/> Consolidated pay <input type="checkbox"/> Collective Bargaining agreements <input checked="" type="checkbox"/> Other
Please give details	over time paid as 135% for day overtime hours, 170% for night overtime hours, 200% for public holidays and 100% and one day instead in next week for rest days.
If more than 60 total hours per week and this is legally allowed, are there other considerations? Please complete the boxes where relevant. (Please explain any checked boxes above e.g. detail of consolidated pay / CBA or Other)	<input type="checkbox"/> Overtime is voluntary <input type="checkbox"/> Onsite Collective bargaining allows 60+ hours/week is voluntary <input type="checkbox"/> Safeguards are in place to protect worker's health and safety <input type="checkbox"/> Site can demonstrate exceptional circumstances <input checked="" type="checkbox"/> Other reasons (please specify)
Please give details	No more then 60 hours per week.
Please explain any checked boxes above e.g. detail of consolidated pay / CBA or other	No more then 60 hours per week.
Is there evidence that overtime hours are being used for extended periods to make up for labour shortages or increased order volumes?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
If sufficient workers cannot be hired, are new working time arrangements explored to ensure that overtime is the exception rather than the rule?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No

7 - No Discrimination is Practiced
[Summary of Findings]

7: Compliance Requirements

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:

- No kind of discrimination applied in the facility.
- Workers with same job were paid same rate irrespective of gender, age or other

Evidence examined:

- Worker's interview
- Management interview
- Documents review

Any other comments:

None.

Gender breakdown of Management + Supervisors (Include as one combined group)	Male: 50.0%		Female: 50.0%	
Number of women who are in skilled or technical roles (e.g. where specific qualifications are needed i.e. machine engineer / laboratory analyst)	0			
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?	<input type="checkbox"/> Hiring	<input type="checkbox"/> Compensation	<input type="checkbox"/> Access to training	
	<input type="checkbox"/> Promotion	<input type="checkbox"/> Termination or retirement	<input checked="" type="checkbox"/> No evidence of discrimination found	
Please give details	None observed.			
Professional Development				
What type of training and development are available for workers?	Ethical COC awareness programs and technical training related to the workers specific jobs. and Health and safety training and technical training related to the workers specific jobs.			
Are HR decisions e.g. promotion, training, compensation based on objective, transparent criteria? (If no, please provide details)	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No			

8 - Regular Employment Is Provided [Summary of Findings]

8: Compliance Requirements

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:

- There is a signed labor contract kept in each employee personnel file.
- Employment agencies must only supply registered workers.
- All selected employees are socially and medically insured.
- No recruitment fee at any stage of the recruitment process.

Follow-up audit (June 11th, 2024): corrective actions have been taken.

1. During the audit, per the workers' interviews and personal file review, it was noted that all the selected workers received their copies of the signed labor contracts.

Evidence examined:

- Documents review
- Worker's interview
- Management interview
- Personnel files review.

Any other comments:

None.

Responsible Recruitment

All Workers

Were all workers presented with terms of employment at the time of recruitment, did they understand them and are they same as current conditions?

- | | |
|--|---|
| <input checked="" type="checkbox"/> Terms & Conditions presented | <input checked="" type="checkbox"/> Understood by workers |
| <input checked="" type="checkbox"/> Same as actual conditions | |

Did workers pay any fees, taxes, deposits or bonds for the purpose of recruitment/placement? (If yes, please describe details and specific category(ies) of workers affected)

- ☐ Yes ☒ No

Migrant Workers	
Type of work undertaken by migrant workers:	No migrant workers hire in the facility.
Please give details about recruitment agencies for migrant workers:	Number of (in country) recruitment agencies used: 0 Number of (outside of local country) recruitment agencies used: 0
Are migrant workers' voluntary deductions (such as for remittances) confirmed in writing by the worker and is evidence of the transaction supplied by the facility to the worker?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No Please give details: No migrant workers hire in the facility.
Is there any observation on this finding?	None.
Are any migrant workers in skilled, technical or management roles? (This should include all migrant workers including permanent workers, temporary and/or seasonal workers)	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
Non-employee workers	
Recruitment Fees	
Are there any fees?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
Agency Workers (if applicable) (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.)	
Number of agencies used (average):	0
Please provide the names of agencies if applicable	No agency used by the facility.
Were agency workers' age / pay / hours included within the scope of this audit?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
Were sufficient documents for agency workers available for review?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
Is there a legal contract agreement with all agencies?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No Please give details: No agency used by the facility.
Does the site have a system for checking labour standards of agencies?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No Please give details: No agency used by the facility.
Contractors (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.)	
Any contractors on site?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No Please give details: No contractors used by the facility.
Do all contractor workers understand their terms of employment?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No Please give details: No contractors used by the facility.

8A - Sub-Contracting and Homeworking
[Summary of Findings]**8A: Compliance Requirements**

8.A.1 There should be no sub-contracting unless previously agreed with the main client.

8.A.2 Systems and processes should be in place to manage sub-contracting, homeworking and external processing.

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:

•Non-subcontracting or home workers used by the facility.

Evidence examined:

- Documents review
- Worker's interview
- Management interview
- Site tour.

Any other comments:

None.

Summary of sub-contracting – if applicableIs there any sub-contracting at this site? ☐ Yes ☒ No**Summary of homeworking – if applicable**Is homeworking used at this site? ☐ Yes ☒ No

9 - No Harsh or Inhumane Treatment is Allowed
[Summary of Findings]

9: Compliance Requirements

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.

9.2 companies should provide access to a confidential grievance mechanism for all 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:

• No kind of physical abuse or corporal punishment applied in the facility.

Evidence examined:

- Internal Rules & regulations
- Employees interview.
- Management interview

Any other comments:

None.

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?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No Please give details: Facility provided direct complain to management, HR and workers representative.
If yes, are workers aware of these channels and have access? Please give details.	During workers interview, workers confirmed that they aware of this channel and it is effective.
If yes, what type of mechanism is used e.g. hotline, whistle blowing mechanism, comment box etc. Please give details.	Facility provided direct complain to management, HR and workers representative.
Which of the following groups is there a grievance mechanism in place for?	<input checked="" type="checkbox"/> Worker <input type="checkbox"/> Communities <input checked="" type="checkbox"/> Suppliers <input type="checkbox"/> Other
Please provide grievance mechanism details	None.
Are there any open disputes?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No Please give details:
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)	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No Please give details:
Is there a published and transparent disciplinary procedure?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No Please give details:

If yes, are workers aware of these the disciplinary procedure?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No Please give details:
Does the disciplinary procedure allow for deductions from wages (fines) for disciplinary purposes (see wages section)?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No Please give details:

10A - Entitlement to Work and Immigration
[Summary of Findings]

10A: Compliance Requirements

10.A.1 Only workers with a legal right to work shall be employed or used by the supplier.

10.A.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:

- All employees are legal and have valid work permit and registered with legal authorities.
- All employees keep their ID's only copies kept by the facility.
- No foreign / migrant employees.

Evidence examined:

- Factory tour
- Documents review
- Employees interview.
- Management interview

Any other comments:

None.

10B2 - Environment 2-Pillar
[Summary of Findings]

10B2: Compliance Requirements

10.B2.1 Suppliers must comply with the requirements of local and international laws and regulations including having necessary permits.

10.B2.2 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:

- Facility has all environmental permits and licenses form the competent authority.
- Waste disposed through approved contractor municipality the contract signed on 06/12/2022.
- Environmental measurements conducted during August 2023 all results within the legal limits.
- No wastewater in the facility.

Evidence examined:

- Facility tour
- Documents review
- Employees interview
- Management interview.

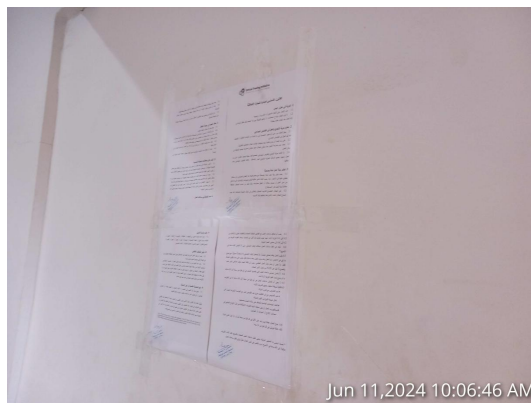
Any other comments:

None.

Attachments



Signed CAP.jpeg



ETI principals note.jpg



Toilets.jpg



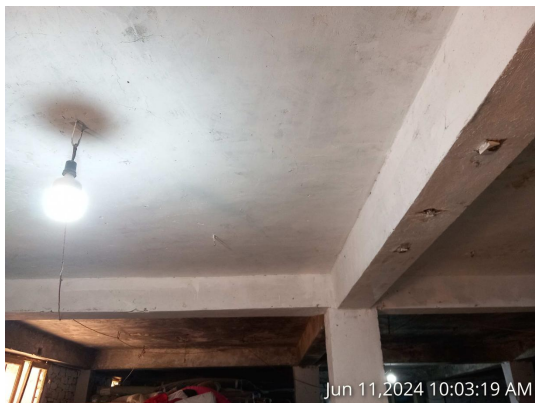
Cable Tray System.jpg



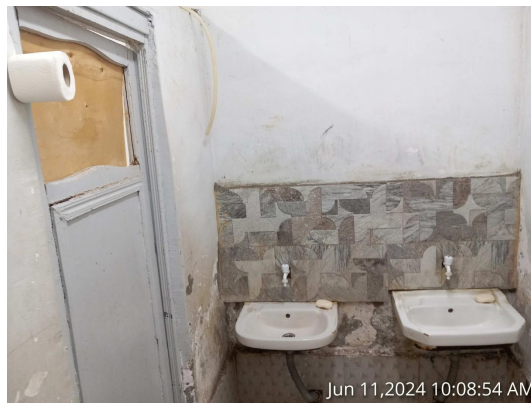
First aid box.jpg



Sewing machine finger guard.jpg



Lightening.jpg



Washbasins.jpg



Emergency exit sign.jpg



Smoke detectors.jpg



Emergency exit.jpg



Safety sign.jpg



Raw materials warehouse.jpg



Sewing machine eye guard.jpg



Packing section..jpg



Preparation section..jpg



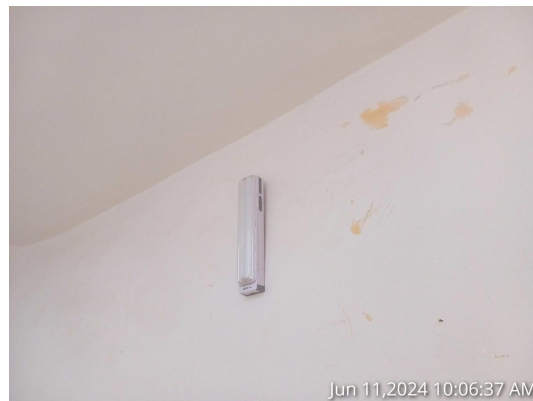
Fire Hydrants and Hose.jpg



Ventilation.jpg



Suggestion and Complaint box.jpg



Emergency lights.jpg



Sewing section..jpg



Aisles clear and marked.jpg



Fire extinguisher.jpg



Cutting section.jpg



Facility overview.jpg



Emergency evacuation map.jpg



Electrical panel.jpg



Drinking water.jpg



Company's policy posted.jpg



Ironing section.jpg



Assembly point sign.jpg



Facility name and logo.jpg



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[Click here for Supplier \(B\) members:](http://www.surveymonkey.com/s.aspx?sm=d3vYsCe48fre69DRglY_2brg_3d_3d)

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