




Sedex Members Ethical Trade Audit Report

Version 6.1



| Audit Details | | | | |
|---|--|---|--|---|
| Sedex Company Reference: <i>(only available on Sedex System)</i> | ZC: 5000020289 | Sedex Site Reference: <i>(only available on Sedex System)</i> | ZS: 1000023085 | |
| Business name (Company name): | Cotton and more for textiles | | | |
| Site name: | Cotton and more for textiles | | | |
| Site address: <i>(Please include full address)</i> | Third Industrial Zone Extension, Sadat City, Egypt | Country: | Egypt | |
| Site contact and job title: | Adham nasr – CEO Office Manager | | | |
| Site phone: | 01020345455 | Site e-mail: | Adham.Nasr@cottonandmore.com.eg | |
| SMETA Audit Pillars: | <input checked="" type="checkbox"/> Labour Standards | <input checked="" type="checkbox"/> Health & Safety (plus Environment 2-Pillar) | <input checked="" type="checkbox"/> Environment 4-pillar | <input checked="" type="checkbox"/> Business Ethics |
| Date of Audit: | 29 December 2023 | | | |

| | |
|--|---|
| Audit Company Name & Logo:  | Report Owner (payer): <i>Cotton and more for textiles</i> |
|--|---|

| 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) | | | |

If you have any concerns or queries about this SMETA report or the associated SMETA audit, please contact grievance@sedex.com.

To confirm the validity of this report, please visit <https://www.sedex.com/audit-verifier/>

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 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.

Any exceptions to this must be recorded here (e.g. different sample size): Nil

Auditor Team (s) (please list all including all interviewers):

Lead auditor: Mohamed El Sayed APSCA number: RA21701010

Lead auditor APSCA status: In Good Standing

Team auditor: Ali Ibrahim/Sayed El Giushy APSCA number: RA21705282/RA21703635

Interviewers: Mohamed El Sayed/Sayed El Giushy APSCA number: RA21701010/
RA21703635

Report writer: Mohamed El Sayed

Report reviewer: Claudia Machado

Date of declaration: 29 December 2023

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.

This report provides a summary of the findings and other applicable information found/gathered during the social audit conducted on the above date only and does not officially confirm or certify compliance with any legal regulations or industry standards. The social audit process requires that information be gathered and considered from records review, worker interviews, management interviews and visual observation. More information is gathered during the social audit process than is provided here. The audit process is a sampling exercise only and does not guarantee that the audited site prior, during or post-audit, are in full compliance with the Code being audited against. The provisions of this Code constitute minimum and not maximum standards and this Code should not be used to prevent companies from exceeding these standards. Companies applying this Code are expected to comply with national and other applicable laws and where the provisions of law and this Code address the same subject, to apply that provision which affords the greater protection. The ownership of this report remains with the party who has paid for the audit. Release permission must be provided by the owner prior to release to any third parties.

Summary of Findings

| Issue <i>(please click on the issue title to go direct to the appropriate audit results by clause)</i> <i>Note to auditor, please ensure that when issuing the audit report, hyperlinks are retained.</i> | Area of Non-Conformity <i>(Only check box when there is a non-conformity, and only in the box/es where the non-conformity can be found)</i> | | | | Record the number of issues by line*: | | | Findings <i>(note to auditor, summarise in as few words as possible NCs, Obs and GE)</i> |
|---|--|-------------------------------------|--------------------------|--------------------------|---------------------------------------|-----|----|--|
| | ETI Base Code | Local Law | Additional Elements | Customer Code | NC | Obs | GE | |
| 0A Universal Rights covering UNGP | | | <input type="checkbox"/> | <input type="checkbox"/> | | | | None Observed any finding. |
| 0B Management systems and code implementation | | <input checked="" type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | 1 | | | <u>non-compliances</u> <ul style="list-style-type: none"> no awareness training on ETI base code and social policies was given to the workers on regular basis. |
| 1. Freely chosen Employment | <input type="checkbox"/> | <input type="checkbox"/> | | <input type="checkbox"/> | | | | None Observed any finding. |
| 2. Freedom of Association | <input type="checkbox"/> | <input type="checkbox"/> | | <input type="checkbox"/> | | | | None Observed any finding. |
| 3. Safety and Hygienic Conditions | <input checked="" type="checkbox"/> | <input checked="" type="checkbox"/> | | <input type="checkbox"/> | 1 | | | <u>non-compliances</u> <ul style="list-style-type: none"> 1 loading worker in production hall were not wearing safety shoes while working. |
| 4. Child Labour | <input type="checkbox"/> | <input type="checkbox"/> | | <input type="checkbox"/> | | | | None Observed any finding. |
| 5. Living Wages and Benefits | <input type="checkbox"/> | <input type="checkbox"/> | | <input type="checkbox"/> | | | | None Observed any finding. |
| 6. Working Hours | <input type="checkbox"/> | <input type="checkbox"/> | | <input type="checkbox"/> | | | | None Observed any finding. |
| 7. Discrimination | <input type="checkbox"/> | <input type="checkbox"/> | | <input type="checkbox"/> | | | | None Observed any finding. |
| 8. Regular Employment | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | | | | None Observed any finding. |

| | | | | | | | | | |
|------|--|--------------------------|--------------------------|--------------------------|--------------------------|--|--|--|--------------------------------|
| 8A | <u>Sub-Contracting and Homeworking</u> | | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | | | | N/A |
| 9 | <u>Harsh or Inhumane Treatment</u> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | | | | None Observed any finding. |
| 10A | <u>Entitlement to Work</u> | | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | | | | None Observed any finding. |
| 10B2 | <u>Environment 2-Pillar</u> | | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | | | | N/A, this is a 4 pillar Audit. |
| 10B4 | <u>Environment 4-Pillar</u> | | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | | | | None Observed any finding. |
| 10C | <u>Business Ethics</u> | | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | | | | None Observed any finding. |

General observations and summary of the site:

- Full initial audit (4-pillar) was conducted by LSQA, by three auditors within one working day and assessed facility against ETI base code and Egyptian Local law requirements on a sampling basis.
- Auditors entered the facility and was welcomed by the site management, then an opening meeting was held on 29 December 2023 at 09:00 AM to 09:30Am below.
- The representatives of the management participating and present in the opening session, HR manager After exchanging business cards and Visitors' instructions is signed, the auditors' team conducted an opening meeting on 29 December 2023 at 09:00 till 09:30 with HR manager, HSE manager, Export and logistic Manager, dyeing manager and compliance in the opening meeting, the firm management showed interest in continuous improvement, very cooperative and provided a positive attitude towards the audit.
- The firm management granted permission to conduct a full audit and access to all required, including conducting confidential workers interviews both (individual & group), facility walk through, taking photographs and document review.
- The facility was very cooperative towards the audit and the audit findings.
- The auditors performed all processes including health and safety tour, documentation review, interviews with (management/employees/workers).

Positive Aspects of the site:

- All workers said they were satisfied and take all human right.
- firm provided all tools to save all workers form any risk.
- firm has implemented non-use of child labour policy and procedure in the site.
- No sign of forced labour or prison labouring was found in the facility during audit.
- No evidence of mental/physical coercion identified during the audit.
- firm is paying wages and benefits to all employees in accordance with Egyptian legal requirements.
- Working hours were in accordance with legal requirements.

-There was no evidence of discrimination and site published a policy for anti-discrimination.

-All workers said they were satisfied with their employment at the firm.

-Firm has implemented environmental policies and procedure.

Overall Site Summary:

- Cotton and more for textile is located at third industrial zone extension, Sadat city, Menoufia, Egypt, it was established in 2012. It is a privately owned company.
- The factory is specialized in the Manufacture of Home Textile, the main production operations are Warping, sizing, weaving, dyeing, cutting, sewing, in line QC, Packaging, Final QC, Loading and shipping
- The total workforce in the factory is 250 (80 female-170 male)
- The factory works 6 days a week from Saturday to Thursday and Friday is the weekly rest day.
- Factory working in shifting:
 - First: shift working hours from 08.00 to 16.00 with 60 minutes break from 12.30 to 13.30.
 - Second: from 16.00 to 00.00 with 60 minutes break from 20.30 to 21.30.
 - Third: from 00.00 to 08.00 with 60 minutes break from 04.30 to 5.30
- The factory has 1 workers representative who were elected in January 01, 2023, the workers' committee is managed by Mr. Mohamed megahed.
- The last meeting was on December 10, 2023, the factory has 01 grievance boxes which are located near the toilet's areas
- The factory uses finger print scanners to record working hours. Salaries are paid in cash for all workers and employees the first days of each month.
- The nearest hospital from the factory is 03 Km from the factory (Harmal Hospital), the nearest fire station is 200 M from the factory (EL-Sadat firefighting station).
- The facility has: Fire extinguishers: 127, Fire hose reels: 27, Fire hydrant: 54, Fire alarm push buttons: 18, Smoke detector: 95, Sprinklers: 180, Emergency exits: 12, Emergency operated lights: 20, Toilets: 11 (7 male 4 female), Assembly point: 03, First aid kits: 10, Grievance box: 02, Water cooler: 02
- The factory's main market is the USA and Europe.
- The factory has 05 production lines with production capacity of 120 Ton per month
- Time records were reviewed for 26 from June 2023(random), October 2023 (peak)and November 2023(recent).
- The youngest worker on site was 18 years old
- Workers 'wages are calculated on monthly basis Legal minimum wages paid to all workers in accordance with local law that is 3500 EGP/Month. Minimum wage applied in the facility for workers 4000 EGP/month.
- As per company policy correct overtime rate is paid in the firm, workers were paid 150% of minimum wage for normal overtime hours.
- After completion of site visit, workers interview and documents review, the closing meeting started on 29 December 2023 at 17:30 till 18:00 top management was very receptive towards the findings raised by the auditor and corrective action plan report was discussed. A copy of the signed CAPR was left to HR, Auditor thanked for good cooperation & behaviour, organization and friendly working environment and left company at 18:00 pm.

**Please note the table above records the total number of Non-compliances (NC), Observations (Obs) and Good Examples (GE). This gives the reviewer an indication of problem areas but does not detail severities of each issue – Reviewers need to check audit results by clause.*

Site Details

| Site Details | | | |
|---|--|---|---|
| A: Company Name: | Cotton and more for textiles | | |
| B: Site name: | Cotton and more for textiles | | |
| C: GPS location: (If available) | <table border="1"> <tr> <td>GPS Address: Third Industrial Zone Extension, Sadat City, Egypt</td> <td>Latitude: 30°33'11.8"E Longitude: 30°21'58.8"N</td> </tr> </table> | GPS Address: Third Industrial Zone Extension, Sadat City, Egypt | Latitude: 30°33'11.8"E Longitude: 30°21'58.8"N |
| GPS Address: Third Industrial Zone Extension, Sadat City, Egypt | Latitude: 30°33'11.8"E Longitude: 30°21'58.8"N | | |
| D: Applicable business and other legally required licence numbers and documents, for example, business license number, liability insurance, any other required government inspections | <p>Commercial record = 62810 Issue date:18/12/2022 Expiry date:22/12/2027 -TAX card = 421166037 -Industrial record: (2015) 0100270 Issue date: 16/06/2021 Expiry date: 17/01/2025</p> | | |
| E: Products/Activities at site, for example, garment manufacture, electricals, toys, grower, cutting, sewing, packing etc | Warping, sizing, weaving, dyeing, cutting, sewing, in line QC, Packaging, Final QC, Loading and shipping | | |
| F: Site description: (Include size, location, and age of site. Also, include structure and number of buildings) | <ul style="list-style-type: none"> - Cotton and more for textile is located at third industrial zone extension, Sadat city, Menoufia, Egypt, it was established in 2012. It is a privately owned company. - The factory is specialized in the Manufacture of Home Textile, the main production operations are Warping, sizing, weaving, dyeing, cutting, sewing, in line QC, Packaging, Final QC, Loading and shipping - The factory consists of 2 building. The total land area is 9,175 sq. meters. - first building for facility consist of 02 floors - First floor: Admins offices, chemicals warehouse, Production process (waving, sizing, dyeing) - Second floor for admin offices. - Second building consist of one floor for sewing, final QC, packing, final product warehouse) <p>F1: Visible structural integrity issues (large cracks) observed? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No</p> <p>F2: Please give details: It was evident during the facility walkthrough that there is no visible structural issue or cracks.</p> <p>F3: Does the site have a structural engineer evaluation? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No</p> <p>F4: Please give details: It was evident during the facility walkthrough that there is no visible structural engineer evaluation.</p> | | |
| G: Site function: | <input type="checkbox"/> Agent <input checked="" type="checkbox"/> Factory Processing/Manufacturer | | |

| | |
|---|--|
| | <input type="checkbox"/> Finished Product Supplier <input type="checkbox"/> Grower <input type="checkbox"/> Homeworker <input type="checkbox"/> Labour Provider <input type="checkbox"/> Pack House <input type="checkbox"/> Primary Producer <input type="checkbox"/> Service Provider <input type="checkbox"/> Sub-Contractor |
| H: Month(s) of peak season: (if applicable) | From September to December |
| I: Process overview: (Include products being produced, main operations, number of production lines, main equipment used) | Warping, sizing, weaving, dyeing, cutting, sewing, in line QC, Packaging, Final QC, Loading and shipping <u>Machine list:</u> Sewing machines: 30 Cutting tables: 2 Packing tables: 6 Ironing tables: 8 Compressor: 02 QC tables: 7 Waving: 23 Warping: 2 Sizing: 01 Dyeing: 05 Dryer: 02 squeezing: 02 inspection: 01 |
| J: What form of worker representation / union is there on site? | <input type="checkbox"/> Union (name) <input type="checkbox"/> Worker Committee <input checked="" type="checkbox"/> Other (specify) (workers representative) <input type="checkbox"/> None |
| K: Is there any night production work at the site? | <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No |
| L: Are there any on site provided worker accommodation buildings e.g. dormitories | <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No L1: If yes, approx. % of workers in on site accommodation |
| M: Are there any off site provided worker accommodation buildings | <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No M1: If yes, approx. % of workers |
| N: Were all site-provided accommodation buildings included in this audit | <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No N1: If no, please give details: There is no accommodation/dormitory provided for the workers by the facilities. |

| Audit Parameters | | | |
|--|--|---|---|
| A: Time in and time out | Day 1 Time in: 09:00 Day 1 Time out: 18:00 | Day 2 Time in: N/A Day 2 Time out: N/A | Day 3 Time in: N/A Day 3 Time out: N/A |
| B: Number of auditor days used: | 1 Day X 3 auditors | | |
| C: Audit type: | <input checked="" type="checkbox"/> Full Initial <input type="checkbox"/> Periodic <input type="checkbox"/> Full Follow-up <input type="checkbox"/> Partial Follow-Up <input type="checkbox"/> Partial Other If other, please define: | | |
| D: Was the audit announced? | <input checked="" type="checkbox"/> Announced <input type="checkbox"/> Semi – announced: Window detail: weeks <input type="checkbox"/> Unannounced | | |
| E: Was the Sedex SAQ available for review? | <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No If No, why not | | |
| F: Any conflicting information SAQ/Pre-Audit Info to Audit findings? | <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No If Yes , please capture detail in appropriate audit by clause | | |
| G: Who signed and agreed CAPR (Name and job title) | Ibrahim Badr/ HR | | |
| H: Is further information available (if yes, please contact audit company for details) | <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No | | |
| I: Previous audit date: | None | | |
| J: Previous audit type: | None | | |
| K: Were any previous audits reviewed for this audit | <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No <input type="checkbox"/> N/A | | |

| Audit attendance | Management | Worker Representatives | |
|--|---|---|---|
| | Senior management | Worker Committee representatives | Union representatives |
| A: Present at the opening meeting? | <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No | <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No | <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No |
| B: Present at the audit? | <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No | <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No | <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No |
| C: Present at the closing meeting? | <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No | <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No | <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No |
| D: If Worker Representatives were not present please explain reasons why (only complete if no worker reps present) | 1 Worker representative and Election date: 1/1/2023 | | |

E: If Union Representatives were not present please explain reasons why:
(only complete if no union reps present)

N/A, there is no union's representative in the factory as this is not obligatory / requirement under local law.

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 | 170 | 0 | 0 | 0 | 0 | 0 | 0 | 170 |
| Worker numbers – female | 80 | 0 | 0 | 0 | 0 | 0 | 0 | 80 |
| Total | 250 | 0 | 0 | 0 | 0 | 0 | 0 | 250 |
| Number of Workers interviewed – male | 13 | 0 | 0 | 0 | 0 | 0 | 0 | 13 |
| Number of Workers interviewed – female | 13 | 0 | 0 | 0 | 0 | 0 | 0 | 13 |
| Total – interviewed sample size | 26 | 0 | 0 | 0 | 0 | 0 | 0 | 26 |

| | | |
|--|--|--|
| A: Nationality of Management | Egyptian | |
| <p>B: Please list the nationalities of all workers, with the three most common nationalities listed first.</p> <p><i>Please add more nationalities as applicable to site. Add more rows if required.</i></p> | <p>Nationalities:</p> <p>B1: Nationality 1: Egyptian</p> <p>B2: Nationality 2: _____</p> <p>B3: Nationality 3: _____</p> | <p>Was the list completed during peak season?</p> <p><input checked="" type="checkbox"/> Yes</p> <p><input type="checkbox"/> No</p> <p>If no, please describe how this may vary during peak periods:</p> |
| C: Please provide more information for the three most common nationalities. | <p>C: approx 100 % total workforce: Nationality 1 Egyptian</p> <p>C1: approx % total workforce: Nationality 2 _____</p> <p>C2: approx % total workforce: Nationality 3 _____</p> | |
| D: Worker remuneration (management information) | <p>D: _____% workers on piece rate</p> <p>D1: _____% hourly paid workers</p> <p>D2: 100% salaried workers</p> <p>Payment cycle:</p> <p>D3: _____% daily paid</p> <p>D4: _____% weekly paid</p> <p>D5: 100% monthly paid</p> <p>D6: _____% other</p> <p>D7: If other, please give details</p> | |

| Worker Interview Summary | |
|--|---|
| A: Were workers aware of the audit? | <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No |
| B: Were workers aware of the code? | <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No |
| C: Number of group interviews: <i>(Please specify number and size of groups. Please see SMETA Best Practice Guidance and Measurement Criteria. If the auditor was not able to follow the BPG, please state within the declaration)</i> | 4 groups of 5 workers |
| D: Number of individual interviews <i>(Please see SMETA Best Practice Guidance and Measurement Criteria)</i> | D1: Male: 03 D2: Female: 03 |
| E: 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. <i>Note to auditor: please record details of migrant /agency/contractor workers in section 8 – Regular Employment, under Responsible Recruitment</i> | <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No If no, please give details |
| F: 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 |
| G: In general, what was the attitude of the workers towards their workplace? | <input checked="" type="checkbox"/> Favourable <input type="checkbox"/> Non-favourable <input type="checkbox"/> Indifferent |
| H: What was the most common worker complaint? | There were no complaints raised by the interviewed workers, workers have positive attitude towards the site |
| I: What did the workers like the most about working at this site? | The thing which the workers like most is that they are covered under social security and the site has provided the transportation for all workers. Free meals and medical care. |
| J: Any additional comment(s) regarding interviews: | None |
| K: Attitude of workers to hours worked: | All workers are satisfied towards the working hours as well as to the overtime hours |
| L. Is there any worker survey information available? | |
| <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No L1: If yes, please give details: | |

M: Attitude of workers:

(Include their attitude to management, workplace, and the interview process. Both positive and negative information should be included) Note: Do not document any information that could put workers at risk

Workers are satisfied with work environment and management, the health and the working environment

N: Attitude of worker's committee/union reps:

(Include their attitude to management, workplace, and the interview process. Both positive and negative information should be included) Note: Do not document any information that could put workers at risk

workers' representatives had a positive attitude and familiar feelings with the lead auditor and towards the facility.

O: Attitude of managers:

(Include attitude to audit, and audit process. Both positive and negative information should be included)

management had high commitment and were transparency with audit team.

Audit Results by Clause

0A: Universal Rights covering UNGP

[\(Click here to return to summary of findings\)](#)

0.A. Guidance for Observations

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:

1.The factory has implemented and maintained a system to be in compliance with the ETI Base Code requirements and this system was reviewed during the audit.

2.Human rights procedure updated on 1/11/2023 and policy updated on 1/11/2023 which covers human rights impacts and issues, and ensures it is communicated to all appropriate parties, including its own suppliers.

3.The factory has a transparent system in place for the confidentiality reporting and dealing with the human rights impacts and issues without any fear of reprisals. The factory has grievance mechanism which allows the workers to use the grievance box freely to communicate with them for any complaints, in order to report any situation or case related to human rights (working conditions).

4.The factory has designated HR Manager as responsible monitor, deploy and communicate the Human rights policy in the factory.

Evidence examined – to support system description (Documents examined & relevant comments. Include renewal/expiry date where appropriate):

1.Human rights procedure updated on 1/11/2023 and policy updated on 1/11/2023 to cover all the human rights impacts and issues and to keep the workers' information in their personal files on confidentiality basis, this information was reviewed during the audit.

2.The factory communicated the policy with their suppliers through sending them the related policies and contracts as per legal requirements as well as through verbal communication over the phones.

3.The factory communicates the human rights policy with the workers inside the workplace through verbal communication up on hiring (induction and refresher trainings).

4. Company bylaws.

5. Grievances procedure.

| | |
|--|---|
| <p>A: Policy statement that expresses commitment to respect human rights?</p> | <p><input checked="" type="checkbox"/> Yes <input type="checkbox"/> No A1: Please give details: The site is committed to respect the human rights as it has a policy issue 1/11/2023, covered all the human rights impacts and issues.</p> |
| <p>B: Does the business have a designated person responsible for implementing standards concerning Human Rights?</p> | <p><input checked="" type="checkbox"/> Yes <input type="checkbox"/> No Please give details: Name: Ibrahim Badr Job title: HR</p> |
| <p>C: 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?</p> | <p><input checked="" type="checkbox"/> Yes <input type="checkbox"/> No C1: Please give details: The site has a transparent system in place for the confidentiality reporting and dealing with the human rights impacts and issues without any fear of reprisals. The site has grievance mechanism which allows the workers to use the grievance box freely.</p> |
| <p>D: Does the grievance mechanism meet UNGP expectations? (Legitimate, Accessible, Predictable, Equitable, Transparent, Rights-compatible, a source of continuous learning and based on stakeholder engagement)</p> | <p><input checked="" type="checkbox"/> Yes <input type="checkbox"/> No D1: If no, please give details</p> |
| <p>E: Does the business demonstrate effective data privacy procedures for workers' information, which is implemented?</p> | <p><input checked="" type="checkbox"/> Yes <input type="checkbox"/> No E1: Please give details: The site has a policy updated 1/11/2023, and the site appoints Mr. Ibrahim Badr , who is responsible for HR stated that all the workers' information is kept in their personnel files and this information is confidential.</p> |

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| Findings :None | |
| <p>Finding: Observation <input type="checkbox"/> Company NC <input type="checkbox"/> Description of observation: None Local law or ETI/Additional elements / customer specific requirement: None Comments: None</p> | <p>Objective evidence observed: None</p> |

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| Good examples observed: None | |
| <p>Description of Good Example (GE): None</p> | <p>Objective Evidence Observed: None</p> |

Measuring Workplace Impact

| Workplace Impact | | |
|---|---|--|
| <p>A: 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)</p> | <p>A1: Last year: 2022 __0__ %</p> | <p>A2: This year: 2023 __0__ %</p> |
| <p>B: Current % quarterly (90 days) turnover: Number of workers leaving from the first day of the 90 days 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]</p> | 0 | |
| <p>C: 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</p> | <p>C1: Last year: 2022 __0__ %</p> | <p>C2: This year: 2023 __0__ %</p> |
| <p>D: 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</p> | 0 | |
| <p>E: Are accidents recorded?</p> | <p><input checked="" type="checkbox"/> Yes <input type="checkbox"/> No</p> <p>E1: Please describe: Accidents and injury record dated 11/6/2023 was reviewed during the documents review. As per the Egyptian labour law article# 228 that all industrial establishment employing 54 workers or more, and all nonindustrial establishment employing fifty workers or more shall provide the concerned manpower directorate with a semi-annual statistical statement on the diseases and injuries The last updated injury records were reviewed. It was the formal one which is delivered to the legal social insurance office, which is stating that there are no injuries at the site</p> | |
| <p>F: Annual Number of work related accidents and injuries per 100 workers: [(Number of work related accidents and injuries * 100) / Number of total workers]</p> | <p>F1: Last year: 2022 Number: 0</p> | <p>F2: This year: 2023 Number: 0</p> |
| <p>G: 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]</p> | 0 | |

| | | |
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| 100) / Number of total workers] | | |
| H: Lost day work cases per 100 workers: [(Number of lost days due to work accidents and work related injuries * 100) / Number of total workers] | H1: Last year: 2022 | H2: This year: 2023 |
| I: % of workers that work on average more than 48 standard hours / week in the last 6 / 12 months: | I1: 6 months ____0____% workers | I2: 12 months ____0____% workers |
| J: % of workers that work on average more than 60 total hours / week in the last 6 / 12 months: | J1: 6 months ____0____% workers | J2: 12 months ____0____% workers |

0B: Management system and Code Implementation

[\(Click here to return to summary of findings\)](#)

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

1. The facility implement and maintain systems to deliver compliance with this Code.
2. The company operates legally in workplaces with the correct commercial licenses and permits and they have systems in place to ensure compliance with all relevant land rights.
3. The company has appointed as responsible for compliance with the Code.
4. The company communicates this code to all employees through an announcement board and trainings.
5. The Company communicates this code to all suppliers and informs them orally by phone to extend the principles of this Code of Ethics

Evidence examined – to support system description (Documents examined & relevant comments. Include renewal/expiry date where appropriate):

- 1.Procedures and policies updated on 1/11/2023 were reviewed.
- 2.Declaration to appoint a management representative to be responsible for compliance with ETI Base Code was reviewed.
- 3.Workers interviews.
- 4.Management interview.
- 5.Training Records were reviewed.

Management Systems:

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| <p>A: In the last 12 months, has the site been subject to any fines/prosecutions for non-compliance to any regulations?</p> | <p><input type="checkbox"/> Yes <input checked="" type="checkbox"/> No A1: Please give details: The site did not receive any fines or prosecutions for non-compliances to any regulations during the last 12 months</p> |
| <p>B: Do policies and/or procedures exist that reduce the risk of forced labour, child labour, discrimination, harassment & abuse?</p> | <p><input checked="" type="checkbox"/> Yes <input type="checkbox"/> No B1: Please give details: The site was written by Policies updated on 1/11/2023 banning all types of forced labour and child labour, Discrimination, harassment and abuse</p> |
| <p>C: If Yes, is there evidence (an indication) of effective</p> | <p>communicated to the workers in their language</p> |

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| <p>implementation? Please give details.</p> | <p>such as forced labour, child labour and non-discrimination policies</p> |
| <p>D: Have managers and workers received training in the standards for forced labour, child labour, discrimination, harassment & abuse?</p> | <p><input checked="" type="checkbox"/> Yes <input type="checkbox"/> No D1: Please give details: it was evident during the site walkthrough and management and workers interviews that ETI base code was communicated with all workers, supervisors and managers.</p> |
| <p>E: If Yes, is there evidence (an indication) that training has been effective e.g. training records etc.? Please give details</p> | <p><input checked="" type="checkbox"/> Yes <input type="checkbox"/> No E1: Please give details: It was evident during the workers' interview that they are aware with the facility policies and procedures, the facility provides managers and workers with related awareness training programs using the legal requirements and SEDEX guidelines as training material (as reference).</p> |
| <p>F: Does the site have any internationally recognised system certifications e.g. ISO 9000, 14000, OHSAS 18000, SA8000 (or other social audits). Please detail (Number and date).</p> | <p><input checked="" type="checkbox"/> Yes <input type="checkbox"/> No F1: Please give details: The factory has internationally recognised system certifications as the following: - - ISO9001: 2015 ISO14001:2015</p> |
| <p>G: Is there a Human Resources manager/department? If Yes, please detail.</p> | <p><input checked="" type="checkbox"/> Yes <input type="checkbox"/> No G1: Please give details: Human Resource Specialist implementing HR procedure to keep all the hiring documents and related workers information in personal files kept in safe place</p> |
| <p>H: Is there a senior person / manager responsible for implementation of the code</p> | <p><input checked="" type="checkbox"/> Yes <input type="checkbox"/> No H1: Please give details: Human Resource Specialist implementing HR procedure to keep all the hiring documents and related workers information in personal files kept in safe place</p> |
| <p>I: Is there a policy to ensure all worker information is confidential?</p> | <p><input checked="" type="checkbox"/> Yes <input type="checkbox"/> No I1: Please give details: Human Resource Specialist implementing HR procedure to keep all the hiring documents and related workers information in personal files kept in safe place</p> |
| <p>J: Is there an effective procedure to ensure confidential information is kept confidential?</p> | <p><input checked="" type="checkbox"/> Yes <input type="checkbox"/> No</p> |

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| | J1: Please give details: The factory has a policy updated on 1/11/2023 stated that all the workers' information is kept in their personnel files at the human resource dept. and this information is confidentiality. |
| K: Are risk assessments conducted to evaluate policy and procedure effectiveness? | <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No K1: Please give details: The factory conducts annual risk assessments to cover the human rights elements and the updates for all its policies and procedures to check its effectiveness and the last dated were on 1/11/2023. |
| L: 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 L1 Please give details: The factory has process to do a remediation plan and corrective actions towards any issues raised during the risk assessment process. |
| M: Does the facility have a policy/code which require labour standards of its own suppliers? | <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No M1: Please give details: The factory has a policy updated on 1/11/2023 in place, which is communicated with their suppliers through sending them the related policies and contracts as per legal requirements as well as through verbal communication over the phone. |
| Land rights | |
| N: Does the site have all required land rights licenses and permissions (see SMETA Measurement Criteria)? | <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No N1: Please give details: The site is owned by the site owner and he has all the land rights. Also, the site has valid and updated land rights license. The site is owned by the site owner and he has all the land rights. |
| O: 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 O1: Please give details: The factory has a periodic check from local authorities in order to renew all legal permits and license. The factory has all required land rights and permissions as follows: -Commercial record = 62810 Issue date:18/12/2022 Expiry date:22/12/2027 -TAX card = 421166037 -Industrial record: (2015) 0100270 |

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| | Issue date: 16/06/2021 Expiry date: 17/01/2025 |
| P: Does the site have a written policy and procedures specific to land rights. If yes, does it include any due diligence the company will undertake to obtain free, prior and informed consent, (FPIC) even if national/local law does not require it | <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No P1: If yes, how does the company obtain FPIC: |
| Q: Is there evidence that facility / site compensated the owner/lessor for the land prior to the facility being built or expanded. | <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No Q1: Please give details: The factory is owned by the factory owner and he has all the land rights |
| R. Does the facility demonstrate that alternatives to a specific land acquisition were considered to avoid or minimize adverse impacts? | <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No R1: Please give details: The factory is owned by the factory owner and he has all the land rights |
| S: Is There any evidence of illegal appropriation of land for facility building or expansion of footprint. | <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No S1: Please give details: The factory is owned by the factory owner and he has all the land rights |

Non-compliance: 01

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| <p>1. Description of non-compliance:</p> <p><input type="checkbox"/> NC against ETI/Additional Elements <input checked="" type="checkbox"/> NC against Local Law</p> <p><input type="checkbox"/> NC against customer</p> <p>code: It was evident during documents review and workers interviews that the no awareness training on ETI base code and social policies was given to the workers on regular basis.</p> <p>Local law and/or ETI requirement:</p> <p>Local law: According to Egyptian labour law No. 12 For year 2003: Article NO.: 76.</p> <p>Recommended corrective action: The facility should make sure that all the workers are provided with awareness training.</p> | <p>Objective evidence observed: workers interview</p> |
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Observation: None

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| <p>Description of observation: None</p> <p>Local law or ETI requirement: None</p> <p>Comments: None</p> | <p>Objective evidence observed: None</p> |
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Good Examples observed: None

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| <p>Description of Good Example (GE): None</p> | <p>Objective evidence observed: None</p> |
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1: Freely Chosen Employment

[\(Click here to return to summary of findings\)](#)

ETI

- 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:

- 1-The factory has written policy and procedure updated on 1/11/2023 to be in compliance with the Egyptian labour law and ETI base code requirements.
- 2-The factory recruited the workers through interviewing with the HR manager and filling application form.
- 3-The sampled workers stated that they are free to leave the workplace after reasonable notice, also during the factory walkthrough, all the doors are unlocked.
- 4- HR manager is implementing HR procedure to check the workers' original documents upon hiring and keep copies of all these documents and related workers information in their personal files. During the documents review, there is no deposits are required, no personal documents are retained.
- 5-It was evident during the factory walkthrough that there were no concerns regarding forced labour, migrant workers observed, and it was confirmed during the workers' interviews.

Evidence examined – to support system description (Documents examined & relevant comments. Include renewal/expiry date where appropriate):

- 1.Policy of freely chosen and employment procedure updated on 1/11/2023 were reviewed.
- 2.Work contracts were reviewed for all workers to ensure noticed periods; each worker receives a copy of signed contract by both parties.
- 3.Personal files were reviewed for workers to review the workers hiring documents (copy of birth certificate, copy of ID cards, copy of signed contract).
- 4.Worker's interview showed that overtime applied at this factory is complying with the legal requirements.
- 5.Management interview.

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| <p>A: Is there any evidence of retention of original documents, e.g. passports/ID's</p> | <p><input type="checkbox"/> Yes <input checked="" type="checkbox"/> No A1: If yes, please give details and category of workers affected:</p> |
| <p>B: Is there any evidence of a loan scheme in operation</p> | <p><input type="checkbox"/> Yes <input checked="" type="checkbox"/> No B1: If yes, please give details and category of worker affected:</p> |
| <p>C: Is there any evidence of retention of wages /deposits</p> | <p><input type="checkbox"/> Yes <input checked="" type="checkbox"/> No C1: If yes, please give details and category of worker affected:</p> |
| <p>D: Are there any restrictions on workers' freedom to terminate</p> | <p><input type="checkbox"/> Yes <input checked="" type="checkbox"/> No</p> |

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| employment? | D1: Please describe finding: No such case found during the workers interviews, as the workers are free to terminate their work contract with reasonable notice and time. |
| E: 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 E1: Please describe finding: |
| F: 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 F1: Please describe finding: No such case found during the workers' interviews, as the workers are free to leave the factory at the end of the work day. |
| G: 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 G1: If yes, please give details and category of workers affected: The factory understands the risks of the forced / trafficked / bonded labour in its supply chain as the management and the workers are aware about ETI Base Code principles. |
| H: Is the site taking any steps taking to reduce the risk of forced / trafficked labour? | <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No H1: Please describe finding: The factory recruited the workers through interviewing with HR and Admin Manager and filling application form by themselves and signed the labour contracts |

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| Non-compliance: None | |
| 1. Description of non-compliance: <input type="checkbox"/> NC against ETI/Additional Elements <input type="checkbox"/> NC against Local Law <input type="checkbox"/> NC against customer code: None Local law and/or ETI requirement: None Recommended corrective action: None | Objective evidence observed: None |

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| Observation: None | |
| Description of observation: None Local law or ETI requirement: None Comments: None | Objective evidence observed: None |

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| Good Examples observed: None | |
| Description of Good Example (GE): None | Objective evidence observed: None |

2: Freedom of Association and Right to Collective Bargaining are Respected

[\(Click here to return to summary of findings\)](#)

[\(Click here to return to Key Information\)](#)

ETI

- 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:

- 1. The factory has written policies and procedures updated 1/11/2023, they are in compliance with the legal law.
- 2. Workers elected a1 representative worker and Election date: 1/1/2023.
- 3. the factory has grievance mechanism which allows the workers to use the grievance box freely and has open door policy to talk to the management directly without coercion or pressure, in order to report any situation or case related to human rights (working conditions).
- 4. It was evident during the workers interview that the above mechanism is communicated with the open-door policy and grievance policy as they confirmed that they are have the total free access to use these two communication methods with factory management.

Evidence examined – to support system description (Documents examined & relevant comments. Include renewal/expiry date where appropriate):

- 1. Written grievance policy and open-door policy updated 1/11/2023 were reviewed.
- 2. During the workers' interview, they stated that they have positive attitude towards the factory and there were no complaints raised by them.
- 3. Management interview
- 4. Site tour
- 5. SAQ

| | |
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| <p>A: What form of worker representation/union is there on site?</p> | <p><input type="checkbox"/> Union (name) <input type="checkbox"/> Worker Committee <input checked="" type="checkbox"/> Other (specify) Worker's representative <input type="checkbox"/> None</p> |
| <p>B: Is it a legal requirement to have a union?</p> | <p><input type="checkbox"/> Yes <input checked="" type="checkbox"/> No</p> |
| <p>C: Is it a legal requirement to have a worker's committee?</p> | <p><input checked="" type="checkbox"/> Yes <input type="checkbox"/> No</p> |

| | | |
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| <p>D: Is there any other form of effective worker/management communication channel? (Other than union/worker committee e.g. H&S, sexual harassment)</p> | <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <p>D1: Please give details: All the workers are communicating with the management through worker representative. Election date: 1/1/2023</p> <p>D2: Is there evidence of free elections? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No</p> | |
| <p>E: Does the supplier provide adequate facilities to allow the Union or committee to conduct related business?</p> | <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <p>E1: Please give details: There is no union but there is workers' committee in the firm.</p> | |
| <p>F: Name of union and union representative, if applicable:</p> | <p>N/A</p> | <p>F1: Is there evidence of free elections? <input type="checkbox"/> Yes <input type="checkbox"/> No <input checked="" type="checkbox"/> N/A</p> |
| <p>G: If there is no union, is there a parallel means of consultation with workers e.g. worker committees?</p> | <p>Worker representative</p> | <p>G1: Is there evidence of free elections? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A</p> |
| <p>H: Are all workers aware of who their representatives are?</p> | <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No | <p>Elected by workers</p> |
| <p>I: Were worker representatives freely elected?</p> | <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No | <p>I1: Date of last election: 1/1/2023</p> |
| <p>J: Do workers know what topics can be raised with their representatives?</p> | <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No | |
| <p>K: Were worker representatives/union representatives interviewed?</p> | <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <p>If Yes, please state how many:</p> | |
| <p>L: Please describe any evidence that union/worker's committee is effective? Specify date of last meeting; topics covered; how minutes were communicated etc.</p> | <p>1/1/2023</p> | |
| <p>M: Are any workers covered by Collective Bargaining Agreement (CBA)?</p> | <input type="checkbox"/> Yes <input type="checkbox"/> No <p>0</p> | |
| <p>If Yes, what percentage by trade Union/worker representation</p> | <p>M1: <u> 0 </u>% workers covered by Union CBA</p> | <p>M2: <u> 0 </u>% workers covered by worker rep CBA</p> |
| <p>M3: If Yes, does the Collective Bargaining Agreement (CBA) include rates of pay?</p> | <input type="checkbox"/> Yes <input type="checkbox"/> No <p>0</p> | |

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| Non-compliance: None | |
| 1. Description of non-compliance: <input type="checkbox"/> NC against ETI <input type="checkbox"/> NC against Local Law <input type="checkbox"/> NC against customer code: None Local law and/or ETI requirement: None Recommended corrective action: None | Objective evidence observed: None |

| | |
|---|--|
| Observation: None | |
| Description of observation: None Local law or ETI requirement: None Comments: None | Objective evidence observed: None |

| | |
|---|--|
| Good Examples observed: None | |
| Description of Good Example (GE): None | Objective evidence observed: None |

3: Working Conditions are Safe and Hygienic

[\(Click here to return to summary of findings\)](#)

[\(Click here to return to Key Information\)](#)

ETI

- 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:

- a. The site provided safe and hygienic working environment according to the risk assessment plan and hazard identification procedure updated, also checked health & safety records such as (emergency preparedness and response procedure) last updated 1/11/2023, health & safety work instructions were reviewed.
- b. procedures such as the emergency preparedness and response procedure, health & safety work instructions, accident & emergency work instruction, all these policies and procedure were reviewed.
- c. The site has provided clean toilet facilities and potable water and provided sanitary facilities for food storage.
- d. The site designated Mohamed Mahmoud/H.S. E manager as a senior management representative and he is responsible for Health & Safety issues.

Evidence examined – to support system description (Documents examined & relevant comments. Include renewal/expiry date where appropriate):

- 1-Worker's interview.
- 2-management interview.
- 3- Review documents and records.
- 4- site walkthrough.
- 5- Health, safety and hygiene procedures and policies updated on 1/11/2023 were reviewed.
- 6-SAQ

A: Does the facility have general and occupational Health & Safety policies and procedures that are fit for purpose and are these communicated to workers?

- Yes
- No

A1: Please give details: Health, safety and hygiene procedures and policies updated on 1/11/2023 were reviewed communicated to workers in their own language through bulletin boards.

| | |
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| <p>B: Are the policies included in workers' manuals?</p> | <p><input checked="" type="checkbox"/> Yes <input type="checkbox"/> No B1: Please give details: These policies are included in the workers' manual and they received awareness training program related to these policies</p> |
| <p>C: Are there any structural additions without required permits/inspections (e.g. floors added)?</p> | <p><input type="checkbox"/> Yes <input checked="" type="checkbox"/> No C1: Please give details: during touring the site, it was noted that no additions were made to the original structure</p> |
| <p>D: Are visitors to the site informed on H&S and provided with personal protective equipment</p> | <p><input checked="" type="checkbox"/> Yes <input type="checkbox"/> No D1: Please give details: The site displays H&S instructions posters at the main gate and all site.</p> |
| <p>E: Is a medical room or medical facility provided for workers? If yes, do the room(s) meet legal requirements and is the size/number of rooms suitable for the number of workers.</p> | <p><input type="checkbox"/> Yes <input checked="" type="checkbox"/> No E1: Please give details: The medical room is not provided for the workers in the facility as per Egyptian Labour Law no. 12/2003, article no. 220 that the site shall provide the first aid means for its workers, If the number of the establishment's workers in the same place, or the same town , or in a circle with a radius of fifteen kilometres exceeds fifty workers, the establishment shall employ one or more qualified male nurses for nursing or first aid services in each shift of work at the site, charge a doctor to visit them at the place provided by the facility for that purpose, and given them the medicines necessary for treatment free of charge. -The nearest hospital from the factory is 03 Km from the factory (Harmal Hospital)</p> |
| <p>F: Is there a doctor or nurse on site or there is easy access to first aider/ trained medical aid?</p> | <p><input checked="" type="checkbox"/> Yes <input type="checkbox"/> No F1: Please give details: There are accessible first aid boxes (10).</p> |
| <p>G: Where the facility provides worker transport - is it fit for purpose, safe, maintained and operated by competent persons e.g. buses and other vehicles?</p> | <p><input checked="" type="checkbox"/> Yes <input type="checkbox"/> No G1: Please give details: It was evident during the workers interviews that they confirmed their satisfaction concerning the transportation which they found safe, suitable and maintained, Also, they stated that no smoking is permitted in the buses.</p> |
| <p>H: Is secure personal storage space provided for workers in their living space and is fit for purpose?</p> | <p><input checked="" type="checkbox"/> Yes <input type="checkbox"/> No H1: Please give details: there are lockers for all workers.</p> |
| <p>I: 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?</p> | <p><input checked="" type="checkbox"/> Yes <input type="checkbox"/> No I1: Please give details: The last H&S risk assessment has been done in 1/1/2023 which covers all the processes and hazards in place. No fatal or dangerous risk has been identified in the last risk assessment of the site</p> |

| | |
|--|--|
| J: 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 J1: Please give details: The site conducts the environmental measurements on regular basis. |
| K: Is the site meeting its customer requirements on environmental standards, including the use of banned chemicals? | <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No K1: Please give details: No specific requirements as the site customer use the (SEDEX supplier workbook and SMETA best practice guidance version 2019, ETI base code). |

Non-compliance:1

| | |
|--|--|
| <p>1. Description of non-compliance: <input checked="" type="checkbox"/> NC against ETI <input checked="" type="checkbox"/> NC against Local Law <input type="checkbox"/> NC against customer code: It was noted during site tour that 1 loading worker in production hall were not wearing safety shoes while working. Local law and/or ETI requirement: ETI requirement: 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. Local law: Accordioning to Egyptian labour law No. 12 For year 2003: Article NO.: 218. Recommended corrective action: H&S manager must be provided induction & periodically training for all workers about using PPEs.</p> | <p>Objective evidence observed: site tour</p> |
|--|--|

Observation: None

| | |
|---|---|
| <p>Description of observation: None Local law or ETI requirement: None Recommended corrective action: None</p> | <p>Objective evidence observed: None</p> |
|---|---|

Good Examples observed: None

| | |
|--|---|
| <p>Description of Good Example (GE): None</p> | <p>Objective Evidence Observed: None</p> |
|--|---|

4: Child Labour Shall Not Be Used

[\(Click here to return to summary of findings\)](#)

[\(Click here to return to Key Information\)](#)

ETI

- 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:

- 1. There is a policy regarding child labour stating that the business does not employ workers under the minimum legal age (18years old).
- 2. The business checks original national ID cards at the time of recruitment and keep a copy in their personal files.
- 3. Personal files and age proof verification documents were reviewed and included the follows:
 - a. Copy of birth certificate.
 - b. Recent photo.
 - c. Criminal Record.
 - d. Educational Background.
 - e. ID copy
- 4. It was evident during the documents review, the age of youngest worker is 18 years and during the site walkthrough, there were no concerns regarding child labour observed.
- 5. The national ID's card included workers names, resident addresses and dates of birth.

Evidence examined – to support system description (Documents examined & relevant comments. Include renewal/expiry date where appropriate):

- 1. Employment procedure dated on 1/11/2023.
- 2. child labour policy dated on 1/11/2023 were reviewed.
- 3. Management interview.
- 4. Contracts items.
- 5. Worker interview.
- 6. Facility tour.
- 7. Application form.
- 8. National ID.
- 9. Education certification.
- 10. Birth certification.
- 11. Hiring procedure.

| | |
|---|------------------------------|
| A: Legal age of employment: | 18 years old |
| B: Age of youngest worker found: | 18 years old |
| C: Are there children present on the work | <input type="checkbox"/> Yes |

| | |
|--|--|
| floor but not working at the time of audit? | <input checked="" type="checkbox"/> No |
| D: % of under 18's at this site (of total workers) | 0 % |
| E: Are workers under 18 subject to hazardous work assignments? (Go to clause 3 – Health and Safety) | <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No E1: If yes, give details |

| | |
|--|--|
| Non-compliance: None | |
| 1. Description of non-compliance: <input type="checkbox"/> NC against ETI/Additional Elements <input type="checkbox"/> NC against Local Law <input type="checkbox"/> NC against customer code: None Local law and/or ETI requirement: None Recommended corrective action: None | Objective evidence observed: None |

| | |
|---|--|
| Observation: None | |
| Description of observation: None Local law or ETI requirement: None Comments: None | Objective evidence observed: None |

| | |
|---|--|
| Good Examples observed: None | |
| Description of Good Example (GE): None | Objective evidence observed: None |

5: Living Wages are Paid

[\(Click here to return to summary of findings\)](#)

[\(Click here to return to Key information\)](#)

ETI

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:

1. The firm pays sick leave, maternity leave and annual leave.
2. Procedure and policy are indicated that the firm paid for overtime premiums as per the legal requirements as the following:
 - a.135% of workers basic wages to workers for their day light hour's overtime work.
 - b.170% of workers basic wages to workers for their night hour's overtime work.
 - c.200% of workers basic wages to workers for their weekly day off overtime work.
 - d.300% of workers basic wages to workers for their holidays overtime work.
3. Workers basic wages were paid based on the local minimum wage standard of 3500 EGP/month, the minimum salary detected was 4000 EGP/ month; this was evident during the documents and records review.
- 4.All workers were provided with written and understandable information about their work condition in respect to wages before they entered to the work and about the particulars of their wages for the pay period concerned every time that they were paid.
5. Payrolls Record were reviewed during the course of the audit.

Evidence examined – to support system description (Documents examined & relevant comments. Include renewal/expiry date where appropriate):

1. It was evident during the documents review that there are no illegal or unauthorized deductions were observed.
2. Employment procedure.
3. The firm complies with legal requirements for wages and benefits, the following documents & records were checked
- 4.Deduction records.
- 5.Attendees records.
- 6.Incentive records.

Non-compliance: None

| | |
|--|--|
| 1. Description of non-compliance: <input type="checkbox"/> NC against ETI/Additional Elements <input type="checkbox"/> NC against Local Law <input type="checkbox"/> NC against customer code: None Local law and/or ETI requirement: None Recommended corrective action: None | Objective evidence observed: None |
|--|--|

| | |
|---|--|
| Observation: None | |
| Description of observation: None Local law or ETI requirement: None Comments: None | Objective evidence observed: None |

| | |
|---|--|
| Good Examples observed: None | |
| Description of Good Example (GE): None | Objective evidence observed: None |

Summary Information

| Criteria | Local Law <i>(Please state legal requirement)</i> | Actual at the Site <i>(Record site results against the law)</i> | Is this part of a Collective Bargaining Agreement? |
|--|---|--|---|
| A: Standard/Contracted work hours: <i>(Maximum legal and actual required working hours excluding overtime, please state if possible per day, week, and month)</i> | Legal maximum: 48 hours / week | A1: 48 hours / week | A2: <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No |
| B: Overtime hours: <i>(Maximum legal and actual overtime hours, please state if possible per day, week, and month)</i> | Legal maximum: 12 hours / week | B1: 12 hours / week | B2: <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No |
| C: Wage for standard/contracted hours: <i>(Minimum legal and actual minimum wage at site, please state if possible per hr, day, week, and month)</i> | Legal minimum: 3500 EGP/ month | C1: 4000 EGP/ month | C2: <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No |
| D: Overtime wage: <i>(Minimum legal and actual minimum overtime wage at site, please state if possible per hr, day, week, and month)</i> | Legal minimum: Egyptian labour law 12/2003, article # 85 which required overtime fee is 135 % for day hours and 170 % for night hours. | D1: labour law 12/2003, article # 85 which required overtime fee is 135 % for day hours and 170 % for night hours. | D2: <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No |

| Wages analysis: (Click here to return to Key Information) | | | |
|---|--|--|---|
| A: Were accurate records shown at the first request? | <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No | | |
| A1: If No , why not? | | | |
| B: Sample Size Checked <i>(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)</i> | 26 Time records and payrolls were reviewed during the course of the audit from June 2023(random), October 2023 (peak)and November 2023(recent). | | |
| C: Are there different legal minimum wage grades? If Yes , please specify all. | <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No | C1: If Yes , please give details: | |
| D: 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"/> N/A | D1: If No , please give details: | |
| E: 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 type="checkbox"/> Meet <input checked="" type="checkbox"/> Above | E1: Lowest actual wages found: <i>Note: full time employees and please state hour / week / month etc.</i> 4000 EGP/ month | |
| F: Please indicate the breakdown of workforce per earnings: | F1: <u> 0 </u> % of workforce earning under minimum wage F2: <u> 0 </u> % of workforce earning minimum wage F3: <u> 100 </u> % of workforce earning above minimum wage | | |
| G: Bonus Scheme found: Please specify details: | Bonus Scheme found: N/A <i>Note: type of employee (e.g. full time, temp, etc.) and please state which units e.g. /hour /week /month etc.</i> | | |
| H: What deductions are required by law e.g. social insurance? Please state all types: | Social security – taxes | | |
| I: Have these deductions been made? | <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No | I1: Please list all deductions that have been made. | 1. Social security 2. taxes Please describe: necessary deductions to be in compliance with the legal requirements |
| | | I2: Please list all deductions that have not been made. | 1. 2. Please describe: |
| J: Were appropriate records available | <input checked="" type="checkbox"/> Yes | | |

| | | |
|---|--|---|
| to verify hours of work and wages? | <input type="checkbox"/> No | |
| K: Were any inconsistencies found? (if yes describe nature) | <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No | K1: Type <input type="checkbox"/> Poor record keeping <input type="checkbox"/> Isolated incident <input type="checkbox"/> Repeated occurrence: |
| L: 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 L1: Please give details: All the working hours are recorded in the manual time records. | |
| M: Is there a defined living wage: <i>This is <u>not normally</u> minimum legal wage. If answered yes, please state amount and source of info: Please see SMETA Best Practice Guidance and Measurement Criteria.</i> | <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No M1: Please specify amount/time: | |
| M2: 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 Other – please give details: | |
| N: 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 N1: Please give details: The farm is committed with Egyptian local law 12/2003 article #3; there shall be review for wages in annual basis with a raise of 10%. There is a periodic visit from the work office officials to check wages, insurances and files if there is any non-conformity during the visit, there will be fine | |
| O: Are workers paid in a timely manner in line with local law? | <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No | |
| P: Is there evidence that equal rates are being paid for equal work: | <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No P1: Please give details: All workers are receiving fair salaries, exceeding by far the legal minimum wage in the country and that according to seniority and job positions, the minimum salary is 4000 EGP and maximum salary is 8000 EGP | |
| Q: How are workers paid: | <input checked="" type="checkbox"/> Cash <input type="checkbox"/> Cheque <input type="checkbox"/> Bank Transfer <input type="checkbox"/> Other Q1: If other, please explain: | |

6: Working Hours are not Excessive

[\(Click here to return to summary of findings\)](#)

[\(Click here to return to Key Information\)](#)

ETI

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:

- 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.

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:

1. Overtime is voluntary according to the workers interviews.
2. It was evident during the documents and records review and worker interviews that overtime is worked only occasionally and is never excessive.
3. All have one day rest per week and work a 6-day week based on Egyptian labour law.
4. 26 Payroll / time records were reviewed during the course of the audit for 3 months
- 5-Working hours do not exceed 60 hours per week, according to the Labour Law

Evidence examined – to support system description (Documents examined & relevant comments. Include renewal/expiry date where appropriate):

- 1- Attended time records for payrolls were reviewed during the audit.
- 2- Worker's interview.
- 3- Employment procedure updated 1/11/2023 was reviewed.
- 4- Documents and records review included attended sheet and production records were checked.
- 5-SAQ

Non-compliance: None

1. Description of non-compliance:

NC against ETI/Additional Elements NC against Local Law

NC against customer code: **None**

Local law and/or ETI requirement: None

Recommended corrective action: None

Objective evidence observed: None

Observation: None

Description of observation: None
Local law or ETI requirement: None
Comments: None

Objective evidence observed: None

Good Examples observed: None

Description of Good Example (GE): **None**

Objective evidence observed: None

Working hours' analysis

Please include time e.g. hour/week/month

[\(Go back to Key information\)](#)

Systems & Processes

A. What timekeeping systems are used: time card etc.

Describe: finger print scanners to record working hours

B: Is sample size same as in wages section?

Yes
 No
 B1: If no, please give details

C: Are standard/contracted working hours defined in **all** contracts/employment agreements?

Yes
 No
 C1: If NO, please give details including % and which type of workers do NOT have standard hours defined in contracts/employment agreements. Please give details:

D: Are there any other types of contracts/employment agreements used?

Yes
 No
 D1: If YES, please complete as appropriate:

| | | | |
|--------------------------------|------------------------------------|---------------------------------------|--------------------------------|
| <input type="checkbox"/> 0 hrs | <input type="checkbox"/> Part time | <input type="checkbox"/> Variable hrs | <input type="checkbox"/> Other |
|--------------------------------|------------------------------------|---------------------------------------|--------------------------------|

If "Other", Please define:
 Nil

| | | |
|---|---|--|
| <p>E: Do any standard/contracted working hours defined in contracts/employment agreements exceed 48 hours per week?</p> | <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No | <p>E1: If yes, please detail hours, %, types of workers affected and frequency Please give details:</p> |
| <p>F: Are workers provided with at least 1 day off in every 7-day-period, or 2 in 14-day-period?</p> | <p>F2: Please select all applicable: <input checked="" type="checkbox"/> 1 in 7 days <input type="checkbox"/> 2 in 14 days <input type="checkbox"/> No If 'No', please explain:</p> | <p>F3: Is this allowed by local law? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No</p> |
| <p>Maximum number of days worked without a day off (in sample):</p> | | |
| <p>6 days</p> | | |
| <p>Standard/Contracted Hours worked</p> | | |
| <p>G: Were standard working hours over 48 hours per week found?</p> | <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No | <p>G1: If yes, % of workers & frequency:</p> |
| <p>H: Any local waivers/local law or permissions which allow averaging/annualised hours for this site?</p> | <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No | <p>H1: If yes, please give details:</p> |
| <p>Overtime Hours worked</p> | | |
| <p>I: Actual overtime hours worked in sample (State per day/week/month)</p> | <p>Highest OT hours: 2 hours / day</p> | |
| <p>J: Combined hours (standard or contracted + overtime hours = total) over 60 found? Please give details:</p> | <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No | |
| <p>K: Approximate percentage of total workers on highest overtime hours:</p> | <p>___15___%</p> | |
| <p>L: Is overtime voluntary?</p> | <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> Conflicting | <p>L1: Please detail evidence e.g. Wording of contract / employment agreement / handbook / worker interviews / refusal arrangements:</p> |

| | Information | |
|---|---|--|
| Overtime Premiums | | |
| <p>M: Are the correct legal overtime premiums paid?</p> | <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A – there is no legal requirement to OT premium | <p>M1: Please give details of normal day overtime premium as a % of standard wages: The facility pays overtime premiums as per Egyptian labour law No. 12/2003, Article # 85 which required overtime fee as following:</p> <p>a. 135% of workers basic wages to workers for their day light hour's overtime work. b. 170% of workers basic wages to workers for their night hour's overtime work. c. 200% of workers basic wages to workers for their weekly day off overtime work. d. 300% of workers basic wages to workers for their holidays overtime work.</p> |
| <p>N: Is overtime paid at a premium?</p> | <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No | <p>N1: If yes, please describe % of workers & frequency: The facility pays overtime premiums as per Egyptian labour law No. 12/2003, Article # 85 which required overtime fee as following:</p> <p>a. 135% of workers basic wages to workers for their day light hour's overtime work. b. 170% of workers basic wages to workers for their night hour's overtime work. c. 200% of workers basic wages to workers for their weekly day off overtime work. d. 300% of workers basic wages to workers for their holidays overtime work.</p> |
| <p>O: 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.</p> | <input checked="" type="checkbox"/> No <input type="checkbox"/> Consolidated pay (May be standard wages above minimum legal wage, with no/low overtime premium) <input type="checkbox"/> Collective Bargaining agreements <input type="checkbox"/> Other | <p>O1: Please explain any checked boxes above e.g. detail of consolidated pay / CBA or Other</p> <p>The facility pays overtime premiums as per Egyptian labour law No. 12/2003, Article # 85 which required overtime fee as following:</p> <p>a. 135% of workers basic wages to workers for their day light hour's overtime work. b. 170% of workers basic wages to workers for their night hour's overtime work. c. 200% of workers basic wages to workers for their weekly day off overtime work. d. 300% of workers basic wages to workers for their holidays overtime work.</p> |
| <p>P: If more than 60 total hours per week and this is legally allowed, are there</p> | <input checked="" type="checkbox"/> Overtime is voluntary <input type="checkbox"/> Onsite Collective bargaining allows 60+ hours/week <input type="checkbox"/> Safeguards are in place to protect worker's health and safety | |

| | |
|--|--|
| <p>other considerations? Please complete the boxes where relevant.</p> | <input type="checkbox"/> Site can demonstrate exceptional circumstances <input type="checkbox"/> Other reasons (please specify) |
| <p>Q: Is there evidence that overtime hours are being used for extended periods to make up for labour shortages or increased order volumes?</p> | <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No Q1: If yes, please give details: |
| <p>R: If sufficient workers cannot be hired, are new working time arrangements explored to ensure that overtime is the exception rather than the rule.</p> | <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No |

7: No Discrimination is Practiced

[\(Click here to return to summary of findings\)](#)

ETI

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:

1. It was noted during the interviews with the management, workers and document reviews that there was no discrimination on hiring, compensation, promotion, termination or retirement and access to training.
2. The factory provided the same payment for workers from the same category and experience

Evidence examined – to support system description (Documents examined & relevant comments. Include renewal/expiry date where appropriate):

- Employment procedure updated 1/11/2023 was reviewed.
- Management interview.
- Worker's interview.
- site tour.
- Documents and records were reviewed as follows:
 - Application form.
 - Grievance and suggestion box

| | |
|--|---|
| A: Gender breakdown of Management + Supervisors (Include as one combined group) | A1: Male: <u>80</u> % A2: Female <u>20</u> % |
| B: Number of women who are in skilled or technical roles e.g. where specific qualifications are needed i.e. machine engineer / laboratory analyst: | #: 2 females who are in skilled or technical roles. |
| C: 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 C1: Please give details: it was evidence during site tour, worker interviews and documented review not found any evidence of discrimination based on race, caste, national origin, religion, age, disability and sexual orientation |

Professional Development

| | |
|---|--|
| A: What type of training and development are available for workers? | ETI base code – health and safety – firefighting – chemicals handling and first aid. |
|---|--|

| | |
|--|---|
| B: Are HR decisions e.g. promotion, training, compensation based on objective, transparent criteria? | <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No If no, please give details: |
|--|---|

Non-compliance: None

| | |
|--|--|
| 1. Description of non-compliance: <input type="checkbox"/> NC against ETI/Additional Elements <input type="checkbox"/> NC against Local Law <input type="checkbox"/> NC against customer code: None Local law and/or ETI requirement: None Recommended corrective action: None | Objective evidence observed: None |
|--|--|

Observation: None

| | |
|---|--|
| Description of observation: None Local law or ETI requirement: None Comments: None | Objective evidence observed: None |
|---|--|

Good Examples observed: None

| | |
|---|--|
| Description of Good Example (GE): None | Objective evidence observed: None |
|---|--|

8: Regular Employment Is Provided

[\(Click here to return to summary of findings\)](#)

[\(Click here to return to Key Information\)](#)

ETI

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:

1. Work performed was on the basis of recognized work relationship established through Egyptian labour law and practice.
2. The migrant workers hiring process is done directly through the HR office and no agencies are involved. The labour contracts were in workers' languages. They have valid Visas and work permits.
3. The labour contracts are signed by sides, the employer and the worker (On the first day of work).
4. There was no home working.

Evidence examined – to support system description (Documents examined & relevant comments. Include renewal/expiry date where appropriate):

- Policy and procedure updated 1/11/2023 were reviewed.
- Management interview.
- Workers interviews
- Documents and records were reviewed as following:
 - Payroll records were reviewed.
 - Based on the labour contract; all the workers are covered with social insurance.
 - Labour contracts are matching with the legal requirements were reviewed.

Non-compliance: None

| | |
|--|--|
| 1. Description of non-compliance: <input type="checkbox"/> NC against ETI/Additional Elements <input type="checkbox"/> NC against Local Law <input type="checkbox"/> NC against customer code: None Local law and/or ETI requirement: None Recommended corrective action: None | Objective evidence observed: None |
|--|--|

| | |
|---|--|
| Observation: None | |
| Description of observation: None Local law or ETI requirement: None Comments: None | Objective evidence observed: None |

| | |
|---|--|
| Good Examples observed: None | |
| Description of Good Example (GE): None | Objective evidence observed: None |

Responsible Recruitment

| | |
|---|--|
| All Workers | |
| A: 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 A1: If any are unchecked, please describe finding and specific category(ies) of workers affected: |
| B: Did workers' pay any fees, taxes, deposits or bonds for the purpose of recruitment/placement? | <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No B1: If yes, please describe details and specific category(ies) of workers affected: |

| | |
|----------------------------------|--|
| C: If yes, check all that apply: | <input type="checkbox"/> Recruitment / hiring fees <input type="checkbox"/> Service fees <input type="checkbox"/> Application costs <input type="checkbox"/> Recommendation fees <input type="checkbox"/> Placement fees <input type="checkbox"/> Administrative, overhead or processing fees <input type="checkbox"/> Skills tests <input type="checkbox"/> Certifications <input type="checkbox"/> Medical screenings <input type="checkbox"/> Passports/ID's <input type="checkbox"/> Work / resident permits <input type="checkbox"/> Birth certificates <input type="checkbox"/> Police clearance fees <input type="checkbox"/> Any transportation and lodging costs after employment offer <input type="checkbox"/> Any transport costs between work place and home <input type="checkbox"/> Any relocation costs after commencement of employment <input type="checkbox"/> New hire training / orientation fees <input type="checkbox"/> Medical exam fees <input type="checkbox"/> Deposit bonds or other deposits <input type="checkbox"/> Any other non-monetary assets <input type="checkbox"/> Other – C1: If other, please give details: |
| D: If any checked, give details: | N/A |

| | |
|--|--|
| Migrant Workers: N/A <i>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</i> | |
| A: Type of work undertaken by migrant workers: | |
| B: Please give details about recruitment agencies for migrant workers: | B1: Total number of (in country recruitment agencies) used: B2: Total number of (outside of local country) recruitment agencies used: |
| C: 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 type="checkbox"/> No C1: Please describe finding: |
| D: Are Any migrant workers in skilled, technical, or management roles <i>Migrant Workers (this should include all migrant workers including permanent workers, temporary and/or seasonal workers)</i> | <input type="checkbox"/> Yes <input type="checkbox"/> No D1: If yes, number and example of roles: |

NON-EMPLOYEE WORKERS

| Recruitment Fees: | |
|----------------------------------|---|
| A: Are there any fees? | <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No |
| B: If yes, check all that apply: | <input type="checkbox"/> Recruitment / hiring fees <input type="checkbox"/> Service fees <input type="checkbox"/> Application costs <input type="checkbox"/> Recommendation fees <input type="checkbox"/> Placement fees <input type="checkbox"/> Administrative, overhead or processing fees <input type="checkbox"/> Skills tests <input type="checkbox"/> Certifications <input type="checkbox"/> Medical screenings <input type="checkbox"/> Passports/ID's <input type="checkbox"/> Work / resident permits <input type="checkbox"/> Birth certificates <input type="checkbox"/> Police clearance fees <input type="checkbox"/> Any transportation and lodging costs after employment offer <input type="checkbox"/> Any transport costs between work place and home <input type="checkbox"/> Any relocation costs after commencement of employment <input type="checkbox"/> New hire training / orientation fees <input type="checkbox"/> Medical exam fees <input type="checkbox"/> Deposit bonds or other deposits <input type="checkbox"/> Any other non-monetary assets <input type="checkbox"/> Other B1 – If other, please give details: |
| C: If any checked, give details: | |

| Agency Workers (if applicable) | |
|--|---|
| <i>(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.)</i> | |
| A: Number of agencies used (average): | A1: Names if available: N/A |
| B: Were agency workers' age / pay / hours included within the scope of this audit? | <input type="checkbox"/> Yes <input type="checkbox"/> No |
| C: Were sufficient documents for agency workers available for review? | <input type="checkbox"/> Yes <input type="checkbox"/> No |
| D: Is there a legal contract / agreement with all agencies? | <input type="checkbox"/> Yes <input type="checkbox"/> No D1: Please give details: |
| E: Does the site have a system for checking labour standards of agencies? If yes, please give details. | <input type="checkbox"/> Yes <input type="checkbox"/> No E1: Please give details: |

Contractors: N/A

Note: 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,

| | |
|--|--|
| <p>A: Any contractors on site?</p> | <p><input type="checkbox"/> Yes <input type="checkbox"/> No A1: If yes, how many contractors are present, please give details:</p> |
| <p>B: If Yes, how many workers supplied by contractors?</p> | |
| <p>C: Do all contractor workers understand their terms of employment?</p> | <p><input type="checkbox"/> Yes <input type="checkbox"/> No C1: Please describe finding:</p> |
| <p>D: If Yes, please give evidence for contractor workers being paid per law:</p> | |

8A: Sub-Contracting and Homeworking
[\(Click here to return to summary of findings\)](#)
[\(Click here to return to Key Information\)](#)

8A.1 There should be no sub-contracting unless previously agreed with the main client.
 8A.2 Systems and processes should be in place to manage sub-contracting, homeworking and external processing.
Note to auditor on homeworking:
 Report on whether it is direct or via agents. How many workers, relationship with site and what control systems are in place.
Note to auditor on subcontracting: auditor should use this section for subcontractors of part made or wholly made finished goods, this section should not be used for raw material manufacturers unless instructed otherwise by customers

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 are no Sub-contracting /home workers hired by the farm, as all orders were produced in the farm premises

Evidence examined – to support system description (Documents examined & relevant comments. Include renewal/expiry date where appropriate):

If any processes are sub-contracted – please populate below boxes

| Process Subcontracted | Process 1 | Process 2 |
|-----------------------|-----------|-----------|
| Name of factory | | |
| Address | | |

Non-compliance: None

1. Description of non-compliance:

- NC against ETI/Additional Elements NC against Local Law
 NC against customer code: **None**

Local law and/or ETI requirement: None

Recommended corrective action: None

Objective evidence observed: None

Observation: None

Description of observation: None
Local law or ETI requirement: None
Comments: None

Objective evidence observed: None

Good Examples observed: None

Description of Good Example (GE): None

Objective evidence observed: None

| Summary of sub-contracting – if applicable <input checked="" type="checkbox"/> Not Applicable please x | |
|---|---|
| A: Has the auditor made a simple calculation to compare capacity with workers' work load in order to identify possible unrecorded work or undeclared sub-contracting? | <input type="checkbox"/> Yes <input type="checkbox"/> No A1: Please describe: |
| B: If sub-contractors are used, is there evidence this has been agreed with the main client? | <input type="checkbox"/> Yes <input type="checkbox"/> No B1: If Yes , summarise details: |
| C: Number of sub-contractors/agents used: | |
| D: Is there a site policy on sub-contracting? | <input type="checkbox"/> Yes <input type="checkbox"/> No D1: If Yes , summarise details: |
| E: What checks are in place to ensure no child labour is being used and work is safe? | |

| Summary of homeworking – if applicable <input checked="" type="checkbox"/> Not Applicable please x | | | |
|--|---|-------------|--|
| A: If homeworking is being used, is there evidence this has been agreed with the main client? | <input type="checkbox"/> Yes <input type="checkbox"/> No A1: If Yes , summarise details: | | |
| B: Number of homeworkers | B1: Male: | B2: Female: | Total: |
| C: Are homeworkers employed direct or through agents? | <input type="checkbox"/> Directly <input type="checkbox"/> Through Agents | | C1: If through agents, number of agents: |
| D: Is there a site policy on homeworking? | <input type="checkbox"/> Yes <input type="checkbox"/> No | | |
| E: How does the site ensure worker hours and pay meet local laws for homeworkers? | | | |
| F: What processes are carried out by homeworkers? | | | |
| G: Do any contracts exist for homeworkers? | <input type="checkbox"/> Yes <input type="checkbox"/> No G1: Please give details: | | |
| H: Are full records of homeworkers | <input type="checkbox"/> Yes | | |

available at the site?

No

9: No Harsh or Inhumane Treatment is Allowed
[\(Click here to return to summary of findings\)](#)

ETI

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.

Additional elements:

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

| | |
|---|---|
| <p>A: 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?</p> | <p><input checked="" type="checkbox"/> Yes <input type="checkbox"/> No A1: Please give details: The site has a grievance mechanism as they have an open-door policy and grievance boxes as well</p> |
| <p>B: If Yes, are workers aware of these channels and have access? Please give details.</p> | <p>Yes, the workers are aware of the grievance mechanism of grievance boxes and open-door policy and they use these mechanisms when necessary</p> |
| <p>C: If yes, what type of mechanism is used e.g. hotline, whistle blowing mechanism, comment box etc. Please give details.</p> | <p>Grievance mechanism and Open-door policy</p> |
| <p>D: Which of the following groups is there a grievance mechanism in place for?</p> | <p><input checked="" type="checkbox"/> Workers <input type="checkbox"/> Communities <input type="checkbox"/> Suppliers <input type="checkbox"/> Other D1: Please give details: The facility has a grievance mechanism as it also has a 2 complaints boxes</p> |
| <p>E: Are there any open disputes?</p> | <p><input type="checkbox"/> Yes <input checked="" type="checkbox"/> No E1: If yes, please give details</p> |
| <p>F: 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)</p> | <p><input checked="" type="checkbox"/> Yes <input type="checkbox"/> No F1: If no, please give details</p> |
| <p>G: Is there a published and transparent disciplinary procedure?</p> | <p><input checked="" type="checkbox"/> Yes <input type="checkbox"/> No G1: If no, please explain</p> |
| <p>H: If yes, are workers aware of these the disciplinary procedure?</p> | <p><input type="checkbox"/> Yes <input checked="" type="checkbox"/> No H1: If no, please give details</p> |
| <p>I: Does the disciplinary procedure allow for deductions from wages (fines) for disciplinary purposes (see wages section)?</p> | <p><input type="checkbox"/> Yes <input checked="" type="checkbox"/> No I1: If yes, please give details</p> |

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:

1. The site has written anti-harsh or inhumane treatment policy updated 1/11/2023 was reviewed; This policy is included commitment declared that the physical abuse or discipline, the threat of physical abuse, sexual or other harassment and verbal abuse or other forms of intimidation is prohibited.
2. There is no physical abuse or discipline in the site and the discipline procedure of the site was verbal warning and deduction as per the management and workers' interviews.

Evidence examined – to support system description (Documents examined & relevant comments. Include renewal/expiry date where appropriate):

- The policy for no harsh or inhumane treatment was reviewed.
- Management interview.
- Workers interviews.
- site tour

Non-compliance: None

1. Description of non-compliance:

NC against ETI/Additional Elements NC against Local Law

NC against customer code: **None**

Local law and/or ETI requirement: None

Recommended corrective action: None

Objective evidence observed: None

Observation: None

Description of observation: None
Local law or ETI requirement: None
Comments: None

Objective evidence observed: None

Good Examples observed: None

Description of Good Example (GE): None

Objective evidence observed: None

10. Other Issue areas: 10A: Entitlement to Work and Immigration

[\(Click here to return to NC-table\)](#)

Additional Elements

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

- Only workers who have the legal right to work shall be hired by the site.
- There were no agency workers, employment agencies or immigration workers present.

Evidence examined – to support system description (Documents examined & relevant comments. Include renewal/expiry date where appropriate):

1. Valid work permit was reviewed.
2. Copy of passport.
3. Labour contract was checked and found that the contract in his language.

Non-compliance: None

1. Description of non-compliance:

- NC against ETI/Additional Elements NC against Local Law
 NC against customer code: **None**

Local law and/or ETI requirement: None

Recommended corrective action: None

Objective evidence observed: None

Observation: None

Description of observation: None
Local law or ETI requirement: None
Comments: None

Objective evidence observed: None

Good Examples observed: None

Description of Good Example (GE): None

Objective evidence observed: None

10. Other issue areas 10B4: Environment 4–Pillar

[\(Click here to return to summary of findings\)](#)

To be completed for a 4–Pillar SMETA Audit and remove the previous page which is 10B2 environment 2 pillar

B.4. Compliance Requirements

10B4.1 Businesses as a minimum must meet the requirements of local and national laws related to environmental standards.

10B4.2 Where it is a legal requirement, businesses must be able to demonstrate that they have the relevant valid permits including for use and disposal of resources e.g. water, waste etc.

10B4.3 Businesses shall be aware of their end client’s environmental standards/code requirements

10B4.4 Suppliers should have an environmental policy, covering their environmental impact, which is communicated to all appropriate parties, including its own suppliers.

10B4.5 Suppliers shall be aware of the significant environmental impact of their site and its processes.

10B4.6 The site should measure its impacts, including continuous recording and regular reviews of use and discharge of natural resources e.g. energy use, water use (see 4–pillar audit report and audit checks for details).

10B4.7 Businesses shall make continuous improvements in their environmental performance.

10B4.8 Businesses shall have available for review any environmental certifications or any environmental management systems documentation

10B4.9 Businesses should have a nominated individual responsible for co–ordinating the site's efforts to improve environmental performance.

B4. Guidance for Observations

10B4.10 Suppliers should have completed the appropriate section of the SAQ and made it available to the auditor.

10B4.11 Has the site recently been subject to (or pending) any fines/prosecutions for noncompliance to environmental regulations.

Note for auditors and readers. This environment section is intended to take not more than 0.25 auditor days. It is an assessment only and the main requirement is to establish whether a site is meeting applicable environmental laws and/or has any certifications or environmental management systems in place. Following this assessment, the client/supplier may decide a full environmental audit is required (see also best practice guidance/environment and guidance for auditor)

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:

1- The factory has environmental policy updated date on 1/11/2023 which is covering their environmental impact and communicated with all the suppliers and customers.

2- Environmental Policy includes the factory committee in order to ensure the continuous improvements in their environmental performance.

3- The factory aware of the significant environmental impact.

4- The factory has measured the impacts and these impacts are mentioned in the last environmental impacts report on Jan 2023 by environmental measuring sector.

5-The factory has established and maintained environmental management system updated date on 01-05-2023.

6-The factory has designated Director of the work environment who found in charge of continuous improvements in their environmental performance

Evidence examined – to support system description (Documents examined & relevant comments. Include

renewal/expiry date where appropriate):

- 1- Environment section of the SAQ was completed.
- 2- Environmental policy dated on 1/11/2023 was reviewed.
- 4- Environmental measurements report was done on Jan. 2023 by environmental measuring sector by Eng. Mohamed Mahmoud
- 5- Last updates of the Egyptian Environmental Laws # 04/2004, 09/2009 and their associated decrees

Non-compliance: None

1. Description of non-compliance:

NC against ETI/Additional Elements NC against Local

NC against customer

code: **None**

Local law and/or ETI/Additional Elements requirement: None

Recommended corrective action: None

Objective evidence observed: None

Observation: None

Description of observation: None
Local law or ETI requirement: None
Comments: None

Objective evidence observed: None

Good Examples observed:

Description of Good Example (GE): **None**

Objective evidence observed: None

| Environmental Analysis <i>(Site declaration only – this has not been verified by auditor. Please state units in all cases below.)</i> | |
|---|--|
| A: Is there a manager responsible for Environmental issues (Name and Position): | Mohamed Mahmoud/ H&S manager |
| B: Has the site conducted a risk assessment on the environmental impact of the site, including implementation of controls to reduce identified risks? | <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No B1: Please give details: The last risk assessment has been done on 1/11/2023 which covers all the processes and hazards in place. No fatal or dangerous risk has been raised in the last risk assessment in the factory. |
| C: Does the site have a recognised environmental system certification such as ISO 14000 or equivalent? Please give details. | <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No C1: Please give details: |
| D: Does the site have an Environmental policy? <i>(For guidance, please see Measurement criteria)</i> | <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No D1: If yes, is it publicly available? The last risk assessment has been done on 1/11/2023 which covers all the processes and hazards in place. No fatal or dangerous risk has been raised in the last risk assessment in the factory. |
| E: If yes, does it address the key impacts from their operations and their commitment to improvement? | <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No E1: Please give details: The last risk assessment has been done on 1/11/2023 which covers all the processes and hazards in place. No fatal or dangerous risk has been raised in the last risk assessment in the factory. |
| F: Does the site have a Biodiversity policy? <i>(For guidance, please see Measurement criteria)</i> | <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No |
| G: Is there any other sustainability systems present such as Chain of Custody, Forest Stewardship Council (FSC), Marine Stewardship Council (MSC) etc.? Please give details. <i>(For guidance, please see Measurement criteria)</i> | <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No G1: Please give details: |
| H: Have all legally required permits been shown? Please give details. | <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No H1: Please give details: -Commercial record = 62810 Issue date:18/12/2022 Expiry date:22/12/2027 -TAX card = 421166037 -Industrial record: (2015) 0100270 Issue date: 16/06/2021 Expiry date: 17/01/2025 |
| I: Is there a documentation process to record hazardous chemicals used in the manufacturing process? | <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A I1: Please give details: The factory has documenting process for all chemicals used in the manufacturing |

| | |
|---|---|
| | process |
| J: Is there a system for managing client's requirements and legislation in the destination countries regarding environmental and chemical issues? | <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No J1: Please give details: As the factory work with major clients who asks the factory to use nominated suppliers who provides the factory with certified materials as per client's requirements |
| K: Facility has reduction targets in place for environmental aspects e.g. water consumption and discharge, waste, energy and green-house gas emissions: | <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No K1: Please give details: As mentioned in the factory's environmental policy and as agreed with the clients, to control their water and electricity consumption, that's why the factory keeps the payment and consumption receipts for the last 24 months to be ready for review. |
| L: Facility has evidence of waste recycling and is monitoring volume of waste that is recycled. | <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No L1: Please give details: The factory has documenting process for all chemicals used in the manufacturing process |
| M: Does the facility have a system in place for accurately measuring and monitoring consumption of key utilities of water, energy and natural resources that follows recognised protocols or standards? | <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No M1: Please give details: The factory has documenting process for all chemicals used in the manufacturing process |
| N: Has the facility checked that any Sub-Contracting agencies or business partners operating on the premises have the appropriate permits and licences and are conducting business in line with environmental expectations of the facility? | <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No N1: Please give details: |

Usage/Discharge analysis

| Criteria | Previous year: Please state period: _____2022_____ | Current Year: Please state period: ____2023_____ |
|---|---|---|
| Electricity Usage: <i>Kw/hrs</i> | 1956000 | 2965000 |
| Renewable Energy Usage: <i>Kw/hrs</i> | None | None |
| Gas Usage: <i>Kw/hrs</i> | 894396 | 1357955 |
| Has site completed any carbon Footprint Analysis? | <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No | <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No |
| If Yes , please state result | N/A | N/A |
| Water Sources: <i>Please list all sources e.g. lake, river, and local water authority.</i> | Local water authority | Local water authority |
| Water Volume Used: | 3549 | 8385 |

| | | |
|--|--|--|
| (m ³) | | |
| Water Discharged: <i>Please list all receiving waters/recipients.</i> | (CETP) Central Effluent treatment planet | (CETP) Central Effluent treatment planet |
| Water Volume Discharged: (m ³) | None | None |
| Water Volume Recycled: (m ³) | None | None |
| Total waste Produced <i>(please state units)</i> | 9180 kg | 15360 kg |
| Total hazardous waste Produced: <i>(please state units)</i> | None | None |
| Waste to Recycling: <i>(please state units)</i> | disposed by subcontractor | disposed by subcontractor |
| Waste to Landfill: <i>(please state units)</i> | None | None |
| Waste to other: <i>(please give details and state units)</i> | Solid and liquid wastes are disposed by Hi tec, who are legally authorised by the legal authorities. | Solid and liquid wastes are disposed by Hi tec, who are legally authorised by the legal authorities. |
| Total Product Produced <i>(please state units)</i> | None | None |

10C: Business Ethics – 4-Pillar Audit

[\(Click here to return to summary of findings\)](#)

To be completed for a 4-Pillar SMETA Audit

10C. Compliance Requirements

10C.1 Businesses shall conduct their business ethically without bribery, corruption, or any type of fraudulent Business Practice.

10C.2 Businesses as a minimum must meet the requirements of local and national laws related to bribery, corruption, or any type of fraudulent Business Practices.

10C.3 Where it is a legal requirement, businesses must be able to demonstrate that they comply with all fiscal legislative requirements.

10C.4 Businesses shall have access to a transparent system in place for confidentially reporting, and dealing with unethical Business Ethics without fear of reprisals towards the reporter.

10C.5 Businesses should have a Business Ethics policy, covering bribery, corruption, or any type of fraudulent Business Practice,

10C.6 Businesses should have a designated person responsible for implementing standards concerning Business Ethics

10C.7 Suppliers should ensure that the staff whose job roles carry a higher level of risk in the area of ethical Business Practice e.g. sales, purchasing, logistics are trained on what action to take in the event of an issue arising in their area.

10C. Guidance for Observations

10C.8 Businesses should communicate their Business Ethics policy, covering bribery, corruption, or any type of fraudulent Business Practice to all appropriate parties, including its own suppliers.

10C.9 Has the site recently been subject to (or pending) any fines/prosecutions for non-compliance to Business Ethics regulations. If so is there evidence that sustainable corrective actions have been implemented

Note for auditors and readers. This Business Ethics section is intended to take not more than 0.25 auditor days. It is an assessment not an audit.

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:

1. The site has written business ethics policy updated on 1/11/2023 concerning bribery, corruption, or unethical business Practice was reviewed. This policy is communicated with suppliers and stakeholders through the announcement boards and main gate desk.

2. The site has designated Ibrahim Badr/ HR Manager responsible for implementing standards concerning Business Ethics

Evidence examined – to support system description (Documents examined & relevant comments. Include renewal/expiry date where appropriate):

1-The factory has completed the SAQ in business ethics.

2-Written business ethics policy.

3- induction training.

4- business ethics procedure.

5- training record.

6- facility tour.

7- management review.

8- workers interview.

Non-compliance: None

1. Description of non-compliance:

NC against ETI NC against Local Law: NC against customer code: **None**

Local law and/or ETI requirement: None

Recommended corrective action: None

Objective evidence observed: None

Observation: None

Description of observation: None
Local law or ETI requirement: None
Comments: None

Objective evidence observed: None

Good Examples observed:

Description of Good Example (GE): **None**

Objective evidence observed: None

| | |
|--|--|
| <p>A: Does the facility have a Business Ethics Policy and is the policy communicated and applied internally, externally or both, as appropriate?</p> | <p><input checked="" type="checkbox"/> Internal Policy <input type="checkbox"/> Policy for third parties including suppliers A1: Please give details: Trained for all labour</p> |
| <p>B: Does the site give training to relevant personnel (e.g. sales and logistics) on business ethics issues?</p> | <p><input checked="" type="checkbox"/> Yes <input type="checkbox"/> No B1: Please give details: quality, marketing and sales</p> |
| <p>C: Is the policy updated on a regular (as needed) basis?</p> | <p><input checked="" type="checkbox"/> Yes <input type="checkbox"/> No C1: Please give details: checked and revised each year</p> |
| <p>D: Does the site require third parties including suppliers to complete their own business ethics training</p> | <p><input type="checkbox"/> Yes <input checked="" type="checkbox"/> No D1: Please give details:</p> |

Other findings

| Other Findings Outside the Scope of the Code |
|--|
| Nil |

Nil

| Community Benefits |
|---|
| <i>(Please list below any specific community benefits that the site management stated that they were involved in, for example, HIV programme, education, sports facilities)</i> |
| Nil |

Nil

Appendix 1

Comparison between ETI code and Customer's Supplier's Code. Any areas where a site complies with the Customer's Supplier Code, but not with the ETI code are discussed at the audit close out meeting and recorded on the CAPR. Note to supplier "for this customer it may not be necessary to complete corrective actions where NC's DO NOT meet the ETI code, but DO meet your customer's code. If the audit is shared with other customers who work to the ETI code or an equivalent international standard, corrective actions will be necessary."

Not Applicable please x

Photo Form

| | | |
|---|---|---|
|  |  |  |
| <p>1. Main gate</p> | <p>2. Fire extinguisher</p> | <p>3. keyboard</p> |
|  |  |  |
| <p>4. First aid box</p> | <p>5. Administrative building</p> | <p>6. Assembly point</p> |
|  |  |  |
| <p>7. Production hall</p> | <p>8. Firefighting sprinklers system</p> | <p>9. chemicals</p> |

| | | |
|--|-------------------------------|--|
| | | |
| <p>10. Personal protective equipment</p> | <p>11. Electric panel</p> | <p>12. company's policy</p> |
| | | |
| <p>13. Dyeing</p> | <p>14. Fire alarm</p> | <p>15. emergency exit</p> |
| | | |
| <p>16. sewing</p> | <p>17. Hand wash facility</p> | <p>18. NC1: It was noted during site tour that 1 loading worker in production hall were not wearing safety shoes while working</p> |



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Your feedback on your experience of the SMETA audit you have observed is extremely valuable. It will help to make improvements to future versions.

You can leave feedback by following the appropriate link to our questionnaire:

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