



Sedex Members Ethical Trade Audit Report

Version 6.1



Audit Details			
Sedex Company Reference: <i>(only available on Sedex System)</i>	ZC: 415275644	Sedex Site Reference: <i>(only available on Sedex System)</i>	ZS: 415315792
Business name (Company name):	Royal Industry Co. شركة رويال للصناعة		
Site name:	Royal Industry Co. شركة رويال للصناعة		
Site address: <i>(Please include full address)</i>	Alex Public Free Zone- Amriya – Alexandria المنطقة الحرة العامة – عامرية- اسكندرية	Country:	Egypt
Site contact and job title:	Mr. Ahmed Abdou / Managing Director		
Site phone:	+2 (012) 232-43881	Site e-mail:	ahmed@royal-industry.com
SMETA Audit Pillars:	☒ Labour Standards	☒ Health & Safety (plus Environment 2-Pillar)	☐ Environment 4-pillar ☐ Business Ethics
Date of Audit:	July 19 th , 2022		

Audit Company Name & Logo: 	Report Owner (payer): Royal Industry Co.
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Audit Conducted By					
Affiliate Audit Company	☒	Purchaser	☐	Retailer	☐
Brand owner	☐	NGO	☐	Trade Union	☐
Multi-stakeholder	☐	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): None.

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

Lead auditor and Interviewer: Mohamed El-Sayed APSCA number: CSCA 21701010

Lead auditor APSCA status: CSCA

Report writer: Mohamed El-Sayed

Report reviewer: Juno Jiang

Date of declaration: July 19th, 2022.

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			☐	☐		0	0	None.
0B	Management systems and code implementation		☐	☐	☐	0	0	0	None.
1.	Freely chosen Employment	☐	☐		☐	0	0	0	None.
2	Freedom of Association	☐	☐		☐	0	0	0	None.
3	Safety and Hygienic Conditions	☒	☒		☐	2	0	0	<u>Summary of Non-Compliances:-</u> - During the factory walkthrough it was noted that 2 of the fire extinguishers in the production workshop were placed directly on the ground. - During the factory walkthrough it was noted that the MSDS was not posted for some chemicals in production floor.
4	Child Labour	☐	☐		☐	0	0	0	None.
5	Living Wages and Benefits	☐	☐		☐	0	0	0	None.
6	Working Hours	☐	☐		☐	0	0	0	None.
7	Discrimination	☐	☐		☐	0	0	0	None.

8	Regular Employment	☐	☐	☐	☐	0	0	0	None.
8A	Sub-Contracting and Homeworking		☐	☐	☐	0	0	0	None.
9	Harsh or Inhumane Treatment	☐	☐	☐	☐	0	0	0	None.
10A	Entitlement to Work		☐	☐	☐	0	0	0	None.
10B2	Environment 2-Pillar		☐	☐	☐	0	0	0	None.
10B4	Environment 4-Pillar		☐	☐	☐	0	0	0	N/A, as this audit is 2-Pillar Audit.
10C	Business Ethics		☐	☐	☐	0	0	0	N/A, as this audit is 2-Pillar Audit.

General observations and summary of the site:

-Opening meeting: A Full Initial Audit at Royal Industry Co. was conducted on announced basis on July 19th, 2022. Upon arrival the lead auditor was greeted by Mr. Ahmed Abdou / Managing Director. After exchanging business cards, the lead auditor conducted an opening meeting on July 19th, 2022 at 09:00 till 09:30 with Mr. Ibrahim Abu Deif / General Manager, Mr. Ahmed Abdou / Managing Director, Mr. Mohamed Hussein / H&S Officer, Mr. Mahmoud Abdullah / HR and Admin Manager and Mr. Montaser Abdul Monem / Production Manager.

- Royal Industry Co. is located in Alex Public Free Zone- Amriya – Alexandria - Egypt; it was established in 2004. Its ownership is privately owned company.

- The factory is specialized in the manufacturing of packaging materials (Poly bags) and Plastic Hangers. The main processes are listed: Receiving raw materials (Polymers), Extrusion, Printing, Cutting, Packing and shipping, the new production process for plastic hangers are in process which will be done through injection molding manufacturing operations. Th factory has been granted the manufacturing approval for this new operating / industrial process from GAFI (General Authority for investment and free zones) dated on October 17th, 2021 issued number # 144/13, the new machines will be in operation during the last week of August 2022.

-The total workforce in the factory is 26 workers (24 males and 2 females); 20 production workers (18 males and 2 females), 3 non- production workers as management and admin staff (males), and 3 security guards (males) who work in in 3 shifts: the first shift is from 07:00 to 15:00, the second shift is from 15:00 to 23:00, and third shift is from 23:00 to 07:00.

- The normal working days schedule is from Saturday to Thursday for all workers and employees. Friday is the weekly rest day. The factory works in 2 shifts, the first shift is from 08:00 to 17:00 with 1 hour break from 13:00 to 14:00. The second shift is from 16:00 to 24:00 with 1 hour break from 19:00 to 20:00.

- The factory uses Finger Print Scanners to record workers' attendance. Salaries are paid via bank transfer on monthly basis during the first week of each month.
 - The nearest hospital is Al Amreya Public Hospital which is 10 minutes far from the factory. The nearest fire station is the public free zone fire central station which is located inside Al Amreya Free Zone.
 - Time records and payrolls for December 2021 (Off Peak), March 2022 (Off Peak) and June 2022 (Recent) for 10 selected workers were reviewed during the audit.
 - The factory has: 35 fire extinguishers, 4 fire hose reels, 8 emergency operated lights, 2 first aid boxes, 3 fire assembly points, 4 emergency exits, 4 toilets (2 males – 2 females), and 1 compressor.
 - The factory has 5 production lines with 80 tons capacity per month.
 - Interviews have been conducted with 10 workers, 4 workers in 1 group (4X1) and 6 workers individually and all the workers have been chosen from all production sections.
- Closing meeting:** At the end of the assessment, a closing meeting was held on July 19th, 2022 at 17:30 till 18:00 with Mr. Ibrahim Abu Deif / General Manager, Mr. Ahmed Abdou / Managing Director, Mr. Mohamed Hussein / H&S Officer, Mr. Mahmoud Abdullah / HR and Admin Manager and Mr. Montaser Abdul Monem / Production Manager. Mr. Ahmed Abdou / Managing Director on behalf of the management agreed to sign the CAP. The management was very receptive towards the findings raised by the lead auditor.

**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:	Royal Industry Co.										
B: Site name:	Royal Industry Co.										
C: GPS location: (If available)	GPS Address: N/A	Latitude: N/A Longitude: N/A									
D: Applicable business and other legally required licence numbers and documents, for example, business license number, liability insurance, any other required government inspections	- Free zone registration and business operation #: decree number 24 dated on March, 6th, 2019. - Tax ID #: 703-634-364; will be expired on August 13th, 2022. - Commercial register #: 164256; issued on June 13th, 2021.										
E: Products/Activities at site, for example, garment manufacture, electricals, toys, grower, cutting, sewing, packing etc	The factory is specialized in the manufacturing of packaging materials (Poly bags) and Plastic Hangers.										
F: Site description: (Include size, location, and age of site. Also, include structure and number of buildings)	- Royal Industry Co. is located in Alex Public Free Zone- Amriya – Alexandria - Egypt; it was established in 2004. Its ownership is privately owned company. - The factory is specialized in the manufacturing of packaging materials (Poly bags) and Plastic Hangers. The main processes are listed: Receiving raw materials (Polymers), Extrusion, Printing, Cutting, Packing and shipping. The new production process for plastic hangers are in process which will be done through injection molding manufacturing operations. -The factory is built on the total land area of 2,780 sqm. The factory is consists of a 1-story building, which is 1,600 sqm and is 18 years old; 1F: all the manufacturing processes, raw material warehouse, finished goods storing area and admin offices. <table border="1"> <thead> <tr> <th>Production Building no 1</th> <th>Description</th> <th>Remark, if any</th> </tr> </thead> <tbody> <tr> <td>Floor 1</td> <td>All the manufacturing processes, raw material warehouse, finished goods storing area and admin offices</td> <td>None.</td> </tr> <tr> <td>Is this a shared building?</td> <td>None.</td> <td>None.</td> </tr> </tbody> </table> - The nearest hospital is Al Amreya public hospital which is 10 minutes far from the factory. The nearest fire station is the public free zone fire central station which is located inside Al Amreya Free Zone.		Production Building no 1	Description	Remark, if any	Floor 1	All the manufacturing processes, raw material warehouse, finished goods storing area and admin offices	None.	Is this a shared building?	None.	None.
Production Building no 1	Description	Remark, if any									
Floor 1	All the manufacturing processes, raw material warehouse, finished goods storing area and admin offices	None.									
Is this a shared building?	None.	None.									

	- The factory has: 35 fire extinguishers, 4 fire hose reels, 8 emergency operated lights, 2 first aid boxes, 3 fire assembly points, 4 emergency exits, 4 toilets (2 males – 2 females) and 1 compressor. - The factory has 5 production lines with 80 tons capacity per month. F1: Visible structural integrity issues (large cracks) observed? ☐ Yes ☒ No F2: Please give details: It was evident during the factory walkthrough that there is no visible structural issue or cracks. F3: Does the site have a structural engineer evaluation? ☒ Yes ☐ No F4: Please give details: It was evident during the factory walkthrough that the building safety check report was done externally by approved third party (Eng. Sameer Mahmoud Gad) Syndicate number# 14/2013 / Consultation Reg# 1/5885, on July 18th, 2022.
G: Site function:	☐ Agent ☒ Factory Processing/Manufacturer ☐ Finished Product Supplier ☐ Grower ☐ Homeworker ☐ Labour Provider ☐ Pack House ☐ Primary Producer ☐ Service Provider ☐ Sub-Contractor
H: Month(s) of peak season: (if applicable)	N/A, there is no defined peak season for the production plan.
I: Process overview: (Include products being produced, main operations, number of production lines, main equipment used)	- The factory is specialized in the manufacturing of packaging materials (Poly bags) and Plastic Hangers. - The main processes are listed: Receiving raw materials (Polymers), Extrusion, Printing, Cutting, Packing and shipping. The new production process for plastic hangers are in process which will be done through injection molding manufacturing operations. - The factory has 5 production lines with 80 tons capacity per month.
J: What form of worker representation / union is there on site?	☐ Union (name) ☒ Worker Committee ☐ Other (specify) ☐ None

K: Is there any night production work at the site?	☒ Yes ☐ No
L: Are there any on site provided worker accommodation buildings e.g. dormitories	☐ Yes ☒ No L1: If yes, approx. % of workers in on site accommodation
M: Are there any off site provided worker accommodation buildings	☐ Yes ☒ No M1: If yes, approx. % of workers
N: Were all site-provided accommodation buildings included in this audit	☐ Yes ☒ No N1: If no, please give details: There is no accommodation/dormitory provided for the workers by the factory.

Audit Parameters			
A: Time in and time out	A1: Day 1 Time in: 09:00 A2: Day 1 Time out: 18:00	A3: Day 2 Time in: N/A A4: Day 2 Time out: N/A	A5: Day 3 Time in: N/A A6: Day 3 Time out: N/A
B: Number of auditor days used:	1 Man-day (1 Lead Auditors in 1 day).		
C: Audit type:	☒ Full Initial ☐ Periodic ☐ Full Follow-up ☐ Partial Follow-Up ☐ Partial Other If other, please define:		
D: Was the audit announced?	☒ Announced ☐ Semi – announced: Window detail: weeks ☐ Unannounced		
E: Was the Sedex SAQ available for review?	☒ Yes ☐ No If No, why not		
F: Any conflicting information SAQ/Pre-Audit Info to Audit findings?	☐ Yes ☒ No If Yes , please capture detail in appropriate audit by clause		
G: Who signed and agreed CAPR (Name and job title)	Mr. Ahmed Abdou / Managing Director		
H: Is further information available (if yes, please contact audit company for details)	☐ Yes ☒ No		
I: Previous audit date:	July 18 th , 2021		
J: Previous audit type:	Full Initial / 2-Pillar Audit.		
K: Were any previous audits reviewed for this audit	☒ Yes ☐ No ☐ N/A		

Audit attendance	Management	Worker Representatives	
	Senior management	Worker Committee representatives	Union representatives
A: Present at the opening meeting?	☒ Yes ☐ No	☒ Yes ☐ No	☐ Yes ☒ No
B: Present at the audit?	☒ Yes ☐ No	☒ Yes ☐ No	☐ Yes ☒ No
C: Present at the closing meeting?	☒ Yes ☐ No	☒ Yes ☐ No	☐ Yes ☒ No
D: If Worker Representatives were not present please explain reasons why <i>(only complete if no worker reps present)</i>	Nil		
E: If Union Representatives were not present please explain reasons why: <i>(only complete if no union reps present)</i>	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*				Total
	Permanent	Temporary	Agency	Permanent	Temporary	Agency	Home workers	
Worker numbers – Male	24	0	0	0	0	0	0	24
Worker numbers – female	2	0	0	0	0	0	0	2
Total	26	0	0	0	0	0	0	26
Number of Workers interviewed – male	9	0	0	0	0	0	0	9
Number of Workers interviewed – female	1	0	0	0	0	0	0	1
Total – interviewed sample size	10	0	0	0	0	0	0	10



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



Worker Interview Summary		
A: Were workers aware of the audit?	☒ Yes ☐ No	
B: Were workers aware of the code?	☒ Yes ☐ 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 workers x 1 group (4x1)	
D: Number of individual interviews <i>(Please see SMETA Best Practice Guidance and Measurement Criteria)</i>	D1: Male: 5	D2: Female: 1
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>	☒ Yes ☐ No	
F: Interviews were done in private and the confidentiality of the interview process was communicated to the workers?	☒ Yes ☐ No	
G: In general, what was the attitude of the workers towards their workplace?	☒ Favourable ☐ Non-favourable ☐ Indifferent	
H: What was the most common worker complaint?	There were no complaints raised by the interviewed workers. The worker interviews showed that workers have positive attitude towards the company, confirmed good working conditions, and stated that salaries are paid on time.	
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 factory has provided the transportation, free meals and medical care to all workers.	
J: Any additional comment(s) regarding interviews:	The interviews were conducted in the private room. The workers were free to speak with the lead auditor and they seemed not to be coached by management.	
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?
☐ Yes ☒ No L1: If yes, please give details:
M: Attitude of workers: <i>(Include their attitude to management, workplace, and the interview process. Both positive and negative information should be included)</i> <i>Note: Do not document any information that could put workers at risk</i>
There were no complaints raised by the interviewed workers. The worker interviews showed that workers have positive attitude towards the company, confirmed good working conditions, and stated that salaries are paid on time.
N: Attitude of worker's committee/union reps: <i>(Include their attitude to management, workplace, and the interview process. Both positive and negative information should be included)</i> <i>Note: Do not document any information that could put workers at risk</i>
All worker representatives had a positive attitude towards the factory.
O: Attitude of managers: <i>(Include attitude to audit, and audit process. Both positive and negative information should be included)</i>
The factory management was found to be cooperative throughout the audit and had a positive attitude towards the lead auditor.

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

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 was updated on June 1st, 2022 and policy was updated on June 1st, 2022, which covers human rights impacts and issues. The Admin Manager ensures that the policy is communicated to all appropriate parties, including its own suppliers through verbal communication over the phones.
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 workers to use the grievance box freely, and has worker representatives to communicate with it for any complaints, in order to report any situation or case related to human rights (working conditions).
4. The factory has designated Mr. Mahmoud Abdullah / HR and Admin Manager as responsible supervisors, 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 was updated on June 1st, 2022 and policy was updated on June 1st, 2022 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 its suppliers through sending the related policies and contracts to suppliers as legally required as well as through verbal communication over the phones.

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

A: Policy statement that expresses commitment to respect human rights?	☒ Yes ☐ No A1: Please give details: The factory is committed to respect the human rights as it has a policy updated on June 1 st , 2022, covered all the human rights impacts and issues.
B: Does the business have a designated person responsible for implementing standards concerning Human Rights?	☒ Yes ☐ No Please give details: Name: Mr. Mahmoud Abdullah Job title: HR and Admin Manager
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?	☒ Yes ☐ No C1: Please give details: 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 a grievance mechanism which allows workers to use the grievance box freely and has worker representatives to communicate with it for any complaints, in order to report any situation or case related to human rights (working conditions).
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)	☒ Yes ☐ No D1: If no, please give details: As mentioned in the Q. C.
E: Does the business demonstrate effective data privacy procedures for workers' information, which is implemented?	☒ Yes ☐ No E1: Please give details: The factory has a policy updated on June 1 st , 2022, stated that all the workers' information is kept in their personnel files and this information is confidential.

Findings: None		
Finding: Observation ☐ Company NC ☐ Description of observation: Nil Local law or ETI/Additional elements / customer specific requirement: Nil Comments: Nil	Objective evidence observed: Nil	

Good examples observed: Nil	
Description of Good Example (GE): Nil	Objective Evidence Observed: Nil

Measuring Workplace Impact

Workplace Impact		
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)	A1: Last year: 2021 0 %	A2: This year: 2022 0 %
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 90day period / [(number of employees on the 1 st day of 90 day period + number of employees on the last day of the 90 day period) / 2]	0	
C: Annual % absenteeism: Number of days lost through job absence in the year / [(number of employees on 1 st day of the year + number employees on the last day of the year) / 2] * number available workdays in the year	C1: Last year: 2021 0 %	C2: This year :2022 0 %
D: Quarterly (90 days) % absenteeism: Number of days lost through job absence in the period / [(Number of employees on 1 st of the period + Number of employees on the last day of the period) / 2] * Number of available workdays in the month	0	
E: Are accidents recorded?	☒ Yes ☐ No E1: Please describe: Accidents and injury records was updated on June 30 th , 2022. The Egyptian Labour Law Article# 228 stated that all industrial establishment employing 54 workers or more, and all non- industrial establishment employing fifty workers or more shall provide the concerned manpower directorate with a semi-annual statistical statement on the diseases and injuries, during the first half of the months of July and January at most. The last updated injury records are the formal one which is delivered to the legal social insurance office. During the documentary review, it was noted that there are no injuries at the factory.	
F: Annual Number of work related accidents and injuries per 100 workers: [(Number of work related accidents and injuries * 100) / Number of total workers]	F1: Last year:2021 Number: 0	F2: This year:2022 Number: 0

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]	0	
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: 0	H2: This year: 0
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

Current systems:

1. The factory has implemented and maintained a management system including policies and procedures to be in compliance with ETI Base Code requirements and this information were reviewed during the audit.
2. The factory has written policies and procedures related to legal requirements and ETI Base Code as well. It communicated the last updates to workers verbally through induction/refresher trainings.
3. Mr. Mahmoud Abdullah / HR and Admin Manager is responsible for deploying, monitoring, and communicating the ETI Base Code principles in the factory.

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

1. Procedures and policies updated on June 1st, 2022 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:

A: In the last 12 months, has the site been subject to any fines/prosecutions for non-compliance to any regulations?	☐ Yes ☒ No A1: Please give details: The factory did not receive any fines or prosecutions for non-compliances to any regulations during the last 12 months.
B: Do policies and/or procedures exist that reduce the risk of forced labour, child labour, discrimination, harassment & abuse?	☒ Yes ☐ No B1: Please give details: The factory has well organized management procedures and policies, which were updated on June 1 st , 2022 and prohibited all kinds of forced labour, child labour, discrimination, harassment & abuse.
C: If Yes, is there evidence (an indication) of effective	The factory has implemented effectively all procedures and policies, which were updated on June 1 st , 2022. All procedures are

implementation? Please give details.	communicated to the workers in their language such as forced labour, child labour and non-discrimination policies. Also, the factory conducted awareness training programs for all workers on June 1 st , 2022 in separate sessions. Additionally, the factory has posted these policies on the announcement board.
D: Have managers and workers received training in the standards for forced labour, child labour, discrimination, harassment & abuse?	☒ Yes ☐ No D1: Please give details: During the factory walkthrough, the management interview, and the worker interviews, it was noted that ETI base code was communicated to all workers, supervisors, and managers. The factory has posted the code on the announcement board. Last training on the code was conducted on June 1 st , 2022 in separate sessions.
E: If Yes, is there evidence (an indication) that training has been effective e.g. training records etc.? Please give details	☒ Yes ☐ No E1: Please give details: During the worker interviews it was noted that workers are aware of the factory' policies and procedures and that the factory provides managers and workers with related awareness training programs, which uses the legal requirements and SEDEX guidelines as training material (as reference).
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).	☐ Yes ☒ No F1: Please give details: The factory doesn't have internationally recognised system certifications.
G: Is there a Human Resources manager/department? If Yes, please detail.	☒ Yes ☐ No G1: Please give details: Mr. Mahmoud Abdullah / HR and Admin Manager is responsible to deploy, monitor and communicate HR procedure at the factory.
H: Is there a senior person /manager responsible for implementation of the code	☒ Yes ☐ No H1: Please give details: Mr. Mahmoud Abdullah / HR and Admin Manager is implementing HR procedure to keep all the hiring documents and related workers information in personal files kept in safe place.
I: Is there a policy to ensure all worker information is confidential?	☒ Yes ☐ No I1: Please give details: Mr. Mahmoud Abdullah / HR and Admin Manager is implementing HR procedure to keep all the hiring documents and related workers information in personal files kept in safe place.
J: Is there an effective procedure to ensure confidential information is kept confidential?	☒ Yes ☐ No J1: Please give details: The factory has a policy, which was updated on June 1 st , 2022 and 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?	☒ Yes ☐ 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 risk assessment was conducted on June 1 st , 2022.
L: Does the facility have a process to address issues found when conducting risk assessments, including implementation of controls to reduce identified risks?	☒ Yes ☐ No L1 Please give details: The factory has processes to do a remediation plan and corrective actions towards any issues raised during the risk assessment process.
M: Does the facility have policy/code which requires labour standards of its own suppliers?	☒ Yes ☐ No M1: Please give details: The factory has a policy updated on June 1 st , 2022 in place, which is communicated with its 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 (<i>see SMETA Measurement Criteria</i>)?	☒ Yes ☐ No N1: Please give details: The factory is owned by the factory owner and he has all the land rights. Also, the factory has valid and updated land rights license.
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?	☒ Yes ☐ 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: - Free zone registration and business operation #: decree number 24 dated on March, 6 th , 2019. - Tax ID #: 703-634-364; will be expired on August 13 th , 2022. - Commercial register #: 164256; issued on June 13 th , 2021.
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	☐ Yes ☒ 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.	☐ Yes ☒ 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?	☐ Yes ☒ No R1: Please give details: As mentioned in Q.Q.
S: Is There any evidence of illegal appropriation of land for facility building or expansion of footprint.	☐ Yes ☒ No S1: Please give details: As mentioned above.

Non-compliance: None	
1. Description of non-compliance: Nil ☐ NC against ETI/Additional Elements ☐ NC against customer code: Local law and/or ETI requirement: Nil Recommended corrective action: Nil	☐ NC against Local Law Objective evidence observed: Nil

Observation: Nil	
Description of observation: Nil Local law or ETI requirement: Nil Comments: Nil	Objective evidence observed: Nil

Good Examples observed: Nil	
Description of Good Example (GE): Nil	Objective evidence observed: Nil

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

Current systems:

- 1- The factory has updated written policy and procedure on June 1st, 2022 to be in compliance with the Egyptian labour law and ETI base code requirements.
- 2- The factory interviewed workers through the HR manager and filling application form.
- 3- The sampled workers stated that they are free to leave the workplace after reasonable notice. During the factory walkthrough, it was noted that all the doors are unlocked.
- 4- Mr. Mahmoud Abdullah / HR and Admin 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 documentary review, there is no deposits are required, no personal documents are retained.
- 5- During the factory walkthrough it was noted that there were no concerns regarding forced labour, migrant workers observed, and it was confirmed during the worker 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 June 1st, 2022 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. Workers interview showed that overtime applied at this factory is complying with the legal requirements.
5. Management interview.

A: Is there any evidence of retention of original documents, e.g. passports/ID's	☐ Yes ☒ No A1: If yes, please give details and category of workers affected:
B: Is there any evidence of a loan scheme in operation	☐ Yes ☒ No B1: If yes, please give details and category of worker affected:
C: Is there any evidence of retention of wages /deposits	☐ Yes ☒ No C1: If yes, please give details and category of worker affected:
D: Are there any restrictions on workers' freedom to terminate employment?	☐ Yes ☒ No

	D1: Please describe finding: No such case was found during the workers interviews, as the workers are free to terminate their work contracts 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'?	☐ Yes ☐ No ☒ 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?	☐ Yes ☒ No F1: Please describe finding: No such case was found during the worker 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	☒ Yes ☐ No ☐ 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?	☒ Yes ☐ No H1: Please describe finding: The factory interviewed workers through interviewing with Mr. Mahmoud Abdullah (HR and Admin Manager), filling application form by themselves, and signed the labour contracts.

Non-compliance: None

1. Description of non-compliance: Nil

☐ NC against ETI ☐ NC against Local Law: ☐ NC against customer code:

Local law and/or ETI requirement: Nil

Recommended corrective action: Nil

Objective evidence observed: Nil

Observation: Nil

Description of observation: Nil

Local law or ETI requirement: Nil

Comments: Nil

Objective evidence observed: Nil

Good Examples observed: Nil

Description of Good Example (GE): Nil

Objective evidence observed: Nil

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

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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 Worker 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

Current systems:

- 1- The factory has updated written policies and procedures on June 1st, 2022, which is in compliance with the legal law.
- 2- The factory doesn't have a trade union but the workers have elected 1 workers' representative (Mr. Wael Sebaay) on January 1st, 2021. The worker representatives are communicated with the top management through conducting periodic meeting. The last two meetings were held on June 20th, 2022 and July 10th, 2022.
- 3- During the workers interview it was noted that the above mechanism is included with the open door policy and grievance policy and that workers can freely use these two communication methods.

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 on June 1st, 2022 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. Minutes of meetings between the top management and worker representatives.

A: What form of worker representation/union is there on site?	☐ Union (name) ☒ Worker Committee ☐ Other (specify) ☐ None
B: Is it a legal requirement to have a union?	☐ Yes ☒ No
C: Is it a legal requirement to have a worker's committee?	☐ Yes ☒ No
D: Is there any other form of effective worker/management communication channel? <i>(Other</i>	☒ Yes ☐ No

than union/worker committee e.g. H&S, sexual harassment)	D1: Please give details: All the workers can communicate with the management through grievance box (1 box), which are located near the toilets and canteen areas for any complaints/ suggestions. The factory also has an open-door policy, which allows all the workers to talk to the management freely. D2: Is there evidence of free elections? ☒ Yes ☐ No	
E: Does the supplier provide adequate facilities to allow the Union or committee to conduct related business?	☐ Yes ☒ No E1: Please give details: There is no union representative in the factory.	
F: Name of union and union representative, if applicable:	N/A, there is no union representative in the factory.	F1: Is there evidence of free elections? ☐ Yes ☐ No ☒ N/A
G: If there is no union, is there a parallel means of consultation with workers e.g. worker committees?	1 workers' representative (Mr. Wael Sebaay).	G1: Is there evidence of free elections? ☒ Yes ☐ No ☐ N/A
H: Are all workers aware of who their representatives are?	☒ Yes ☐ No	During the worker interview it was noted that all workers know their representatives, know their roles, and prefer to talk with the lead worker representative directly.
I: Were worker representatives freely elected?	☒ Yes ☐ No	I1: Date of last election: January 1st, 2021.
J: Do workers know what topics can be raised with their representatives?	☒ Yes ☐ No	
K: Were worker representatives/union representatives interviewed?	☒ Yes ☐ No If Yes, please state how many: 1 worker representative was interviewed, as he attended the opening and closing meeting.	
L: Please describe any evidence that union/worker's committee is effective? Specify date of last meeting; topics covered; how minutes were communicated etc.	The worker representative communicates with the top management through conducting periodic meetings. The last two meetings were held on June 20th, 2022 and July 10th, 2022.	
M: Are any workers covered by Collective Bargaining Agreement (CBA)?	☐ Yes ☒ No N/A	
If Yes, what percentage by trade Union/worker representation	M1: N/A % workers covered by Union CBA	M2: N/A % workers covered by worker rep CBA
M3: If Yes, does the Collective Bargaining Agreement (CBA) include rates of pay?	☐ Yes ☒ No N/A	

Non-compliance: None	
1. Description of non-compliance: Nil ☐ NC against ETI ☐ NC against Local Law ☐ NC against customer code: Local law and/or ETI requirement: Nil Recommended corrective action: Nil	Objective evidence observed: Nil
Observation: Nil	
Description of observation: Nil Local law or ETI requirement: Nil Comments: Nil	Objective evidence observed: Nil
Good Examples observed: Nil	
Description of Good Example (GE): Nil	Objective evidence observed: Nil

3: Working Conditions are Safe and Hygienic

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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

Current systems:

1. The factory provides safe and hygienic working environment according to the last risk assessment plan which was established on June 26th, 2022, has the hazard identification procedure which is updated on June 1st, 2022, and has checked health & safety records such as emergency preparedness and response procedure and health & safety work instructions.
2. Health & safety policy and procedures were updated on June 1st, 2022. Procedures such as the emergency preparedness and response procedure, health & safety work instructions, accident & emergency work instruction, and all these policies were reviewed.
3. The factory has provided clean toilet facilities and potable water and provided sanitary facilities for food storage.
4. **The last training courses which were held in the factory, are as the follows:**
 - First aid awareness training was done on January 5th, 2021.
 - Fire safety training was done externally in August 2021 by Civil Defense Forces / Alexandria sector.
5. The last fire drill was conducted on July 18th, 2022 (Evacuation time: 3 minutes) for 2 shifts, the next one is planned to conduct in January 2023.
6. The factory has designated Mr. Mohamed Hussein / H&S Officer to be responsible for Health & Safety issues.

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

1. Health, safety and hygiene procedures and policies updated on June 1st, 2022 were reviewed.
2. Safety, hygiene, electric, temperature hazards was identified.
3. Factory walkthrough.
4. Management interview.
5. Workers interviews.
6. Document and records were reviewed during the audit.
1. Health & Safety risk assessment updated on June 26th, 2022.
2. Health & Safety Policy updated on June 1st, 2022.

3. Factory licenses and permissions.
4. Health & Safety Training records.
5. The factory has monthly internal monitoring system which is done by Mr. Mohamed Hussein / H&S Officer.
6. Last medical check-up was done by Public Medical Insurance Authorities on January 16th, 2022.
7. Accidents and Injuries log was done on June 30th, 2022.
8. Last external check for fire safety system was done externally by Fire City Co.; the contract was issued on July 6th, 2021 and the validity check was done on June 25th, 2022.
9. Emergency response plan was done in January 2020 and approved by civil Defense Forces.
10. Last check report for the compressor was done on June 25th, 2022.
11. Building safety check report was done externally by approved third party (Eng. Sameer Mahmoud Gad) Syndicate number# 14/2013 / Consultation Reg# 1/5885, on July 18th, 2022.
12. Fire fighting system and extinguishing network was checked externally by Eng. Hassan Ahmed Rashad, Syndicate # 14/6859, Engineering record# 519105694 and Consult Reg# 301537, it was done on July 18th, 2022.
- 13- Electrical safety check report was done on by Eng. Hassan Khalaf, Syndicate # 8879/20, and Engineering record # 294/51 and Consult Reg# 1064/4, it was done on July 18th, 2022.

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: The factory has general health & safety policies and procedures which are fit for purpose and these policies are communicated with the workers in their language through posting on the announcement board.
B: Are the policies included in workers' manuals?	☒ Yes ☐ No B1: Please give details: These policies are included in the workers' manual in their language and workers received awareness training program related to these policies.
C: Are there any structural additions without required permits/inspections (e.g. floors added)?	☐ Yes ☒ No C1: Please give details: As observed during the factory walkthrough, there is no addition been made to the original structure.
D: Are visitors to the site informed on H&S and provided with personal protective equipment	☒ Yes ☐ No D1: Please give details: The factory displays H&S instructions posters at the main gate and at prominent places. As per the norm of production processes inside the factory, PPEs are required to be worn during the walkthrough.
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.	☐ Yes ☒ No E1: Please give details: The factory doesn't have on-site clinic as per Egyptian Labour Law no. 12/2003, article no. 220 that the factory 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 facility, charge a doctor to visit them at the place provided by the factory for that purpose, and given them the medicines necessary for treatment free of charge. But the factory provides all the sections and premises with first aid kits (2 first aid kits).

	Also, the nearest hospital is Al Amreya Public Hospital which is 10 minutes far from the factory by walk.
F: Is there a doctor or nurse on site or there is easy access to first aider/ trained medical aid?	☒ Yes ☐ No F1: Please give details: The factory has trained first-aiders (5 first aiders) and has provided accessible first aid boxes (2 boxes).
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?	☒ Yes ☐ No G1: Please give details: During the worker interview it was noted that workers confirmed their satisfaction concerning the transportation which they found safe, suitable and maintained, Also, they stated that no smoking is permitted in the buses.
H: Is secure personal storage space provided for workers in their living space and is fit for purpose?	☐ Yes ☒ No H1: Please give details: There was no dormitory provided for the workers.
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?	☒ Yes ☐ No I1: Please give details: The last H&S risk assessment has been done on June 26 th , 2022, which covered all the processes and hazards in place. No fatal or dangerous risk has been identified in the last risk assessment in the factory.
J: Is the site meeting its legal obligations on environmental requirements including required permits for use and disposal of natural resources?	☒ Yes ☐ No J1: Please give details: The factory conducts the environmental measurements on regular basis and the last measurement was done on January 28 th , 2022 by Integrated Solutions Group.
K: Is the site meeting its customer requirements on environmental standards, including the use of banned chemicals?	☐ Yes ☒ No K1: Please give details: No specific requirements as the factory customer use the SEDEX supplier workbook and SMETA best practice guidance version 6.1/ May 2019, ETI base code.

Non-compliance: Two

1. Description of non-compliance:

During the factory walkthrough it was noted that 2 of the fire extinguishers in the production workshop were placed directly on the ground.

☒ NC against ETI ☒ NC against Local Law ☐ NC against customer code:

Local law and/or ETI requirement:

Local Law: Egyptian labour law no.12/2003, article # 214:-

The establishment and its branches shall take the necessary precautions and conditions for protection from fire risks as determined by the concerned quarter at the Ministry of Interior, and according to the nature of the activity exercised by the establishment, and the physio-chemical properties of the materials used and produced, subject to the following:-

A-All fire -fighting and extinguishing equipment and tools being used shall conform to the Egyptian standard specifications.

B-Developing the fire-fighting and protection equipment by using the latest methods, and providing alarm, early warning, cautioning, protective insulation, and automatic fire extinguishing equipment whenever necessary, according to the nature of the establishment and its activity.

ETI Base Code, clause #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.

Recommended corrective action:

It is recommended that the factory shall mount the fire extinguishers on the suitable height.

2. Description of non-compliance:

During the factory walkthrough it was noted that the MSDS was not posted for some chemicals in the production workshop.

☒ NC against ETI ☒ NC against Local Law ☐ NC against customer code:

Local law and/or ETI requirement:

Local Law: Egyptian labour law no.12/2003, article # 211 (E):-

The establishment and its branches shall provide means of protection from chemical dangers resulting from dealing with solid, liquid and gaseous chemical substances, subject to Placing labels of recognizing all chemical materials handled at work, and indicating their scientific and trade name, their chemical composition, their degree of dangerousness, the safety precautions, and the relevant emergency procedures. The establishment shall obtain the data mentioned in these materials from the suppliers upon supplying them.

ETI Base Code, clause #3.1:-

Objective evidence observed: Factory Walkthrough

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.

Recommended corrective action:

It is recommended that the factory shall post the MSDS for all the chemicals.

Observation: Nil

Description of observation: Nil

Local law or ETI requirement: Nil

Recommended corrective action: Nil

**Objective evidence
observed: Nil**

Good Examples observed: Nil

Description of Good Example (GE): Nil

**Objective Evidence
Observed: Nil**

4: Child Labour Shall Not Be Used

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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

Current systems:

1. Employment procedure updated on June 1st, 2022 included commitment that the factory would never employ and use child labour under the minimum legal age of 18 years old. All workers are hired directly; age verification was conducted during the personal files review.
2. The factory has checked workers' original national ID cards at the time of interviewing and kept 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.
4. The national ID cards included workers names, resident addresses and dates of birth.
5. During the audit it was noted that, the age of youngest worker is 18 years old. During the factory walkthrough, there were no concerns regarding child labour observed.

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

1. Employment procedure updated on June 1st, 2022 and child labour policy updated on June 1st, 2022 were reviewed.
2. Management interview.
3. Workers interviews.
4. Documents and records were checked as follows:
 - a. Personal files for all workers.
 - b. Copies of birthday certificates for workers.
 - c. Recent photos.
 - d. Criminal Records.
 - e. Educational Background records.

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 floor but not working at the time of audit?	☐ Yes ☒ 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)	☐ Yes ☒ No E1: If yes, give details

Non-compliance: None	
1. Description of non-compliance: Nil ☐ NC against ETI ☐ NC against Local Law ☐ NC against customer code: Local law and/or ETI requirement: Nil Recommended corrective action: Nil	Objective evidence observed: Nil

Observation: Nil	
Description of observation: Nil Local law or ETI requirement: Nil Comments: Nil	Objective evidence observed: Nil

Good Examples observed: Nil	
Description of Good Example (GE): Nil	Objective Evidence Observed: Nil

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

Current systems:

1. The factory pays sick leave, maternity leave and annual leave.
2. Procedure and policy are indicated that the factory paid for overtime premiums as per the legal requirements as the following:
 - a. 135% of basic wages for daylight overtime hours.
 - b. 170% of basic wages for night overtime hours
 - c. 200% of basic wages for overtime hours on rest days.
 - d. 300% of basic wages for overtime hours on holidays.
3. Workers basic wages were paid based on the local minimum wage standard of 2400 EGP/month. During the audit it was noted that the minimum salary in this factory was 2400 EGP/ month.
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. Payroll records for December 2021 (Off Peak), March 2022 (Off Peak) and June 2022 (Recent) were reviewed during the audit.
6. During the audit it was noted that that there is no illegal or unauthorized deduction.

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

1. Employment procedure updated on June 1st, 2022 was reviewed.
2. The factory complies with legal requirements for wages and benefits, the following documents & records were checked.
 - A. Payroll records of 10 sampled workers for December 2021 (Off Peak), March 2022 (Off Peak) and June 2022 (Recent) were reviewed during the audit.
 - b. Deduction records.
 - c. Attendees records.
 - d. Incentive records.

Non-compliance: None

1. Description of non-compliance: Nil ☐ NC against ETI ☐ NC against Local Law ☐ NC against customer code: Local law and/or ETI requirement: Nil Recommended corrective action: Nil	Objective evidence observed: Nil
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Observation: Nil	
Description of observation: Nil Local law or ETI requirement: Nil Comments: Nil	Objective evidence observed: Nil

Good Examples observed: Nil	
Description of Good Example (GE): - Nil	Objective Evidence Observed: Nil

Summary Information

Criteria	Local Law (Please state legal requirement)	Actual at the Site (Record site results against the law)	Is this part of a Collective Bargaining Agreement?
A: Standard/Contracted work hours: (Maximum legal and actual required working hours excluding overtime, please state if possible per day, week, and month)	Legal maximum: 48 hours / week	A1: 48 hours / week	A2: ☐ Yes ☒ No
B: Overtime hours: (Maximum legal and actual overtime hours, please state if possible per day, week, and month)	Legal maximum: 12 hours / week	B1: 0 hour / week	B2: ☐ Yes ☒ No
C: Wage for standard/contracted hours: (Minimum legal and actual minimum wage at site, please state if possible per hr, day, week, and month)	Legal minimum: 2400 EGP / Month	C1: 2400 EGP / Month	C2: ☐ Yes ☒ No
D: Overtime wage: (Minimum legal and actual minimum overtime wage at site, please state if possible per hr, day, week, and month)	Legal minimum: Egyptian labour law 12/2003, article # 85 which required overtime fee is 135 % for day hours and 170 % for night hours.	D1: The factory complies with the Egyptian law and pays 135% for day overtime hours and 170 % for night overtime hours which is 27 EGP / 2 hours for day overtime hours and 34 EGP / 2 hours for night overtime hours.	D2: ☐ Yes ☒ No

Wages analysis: (Click here to return to Key Information)		
A: Were accurate records shown at the first request?	☒ Yes ☐ No	
A1: If No , why not?	N/A	
B: Sample Size Checked (State number of worker records checked and from which weeks/months – should be current, peak, and random/low. Please see SMETA Best Practice Guidance and Measurement Criteria)	Attendance records and payroll records for 10 sampled workers for December 2021 (Off Peak)- Attendance records and payroll records for 10 sampled workers for March 2022 (Off Peak) - Attendance records and payroll records for 10 sampled workers for June 2022 (Recent) were reviewed during the audit.	
C: Are there different legal minimum wage grades? If Yes , please specify all.	☐ Yes ☒ No	C1: If Yes , please give details:

D: If there are different legal minimum grades, are all workers graded and paid correctly?	☐ Yes ☐ No ☒ 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?	☐ Below legal min ☒ Meet ☐ Above	E1: Lowest actual wages found: <i>Note: full time employees and please state hour / week / month etc.</i> 2400 EGP / Month.	
F: Please indicate the breakdown of workforce per earnings:	F1: ____% of workforce earning under minimum wage F2: 100% of workforce earning minimum wage F3: ____% 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 insurance and taxes		
I: Have these deductions been made?	☒ Yes ☐ No	I1: Please list all deductions that have been made.	1. Social Security insurance 2. Taxes
		I2: Please list all deductions that have not been made.	1. 2. Please describe: N/A
J: Were appropriate records available to verify hours of work and wages?	☒ Yes ☐ No		
K: Were any inconsistencies found? (if yes describe nature)	☐ Yes ☒ No	K1: Type ☐ Poor record keeping ☐ Isolated incident ☐ 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)	☒ Yes ☐ No L1: Please give details: All the working hours are recorded in the 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>	☐ Yes ☒ No M1: Please specify amount/time:		

M2: If yes, what was the calculation method used.	☐ ISEAL/Anker Benchmarks ☐ Asia Floor Wage ☐ Figures provided by Unions ☐ Living Wage Foundation UK ☐ Fair Wear Wage Ladder ☐ Fair-trade Foundation Other – please give details: N/A
N: Are there periodic reviews of wages? If Yes give details (include whether there is consideration to basic needs of workers plus discretionary income).	☒ Yes ☐ No N1: Please give details: The factory is committed with Egyptian Local Law 12/2003 Article #3; there shall be reviewed for wages in annual basis with a raise of 7%. 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, the factory will be fined.
O: Are workers paid in a timely manner in line with local law?	☒ Yes ☐ No
P: Is there evidence that equal rates are being paid for equal work:	☒ Yes ☐ No P1: Please give details: All workers receive fair salaries, above the legal minimum wage in the country according to seniority and job positions. Their salaries vary between 2400 EGP to 6200 EGP.
Q: How are workers paid:	☐ Cash ☐ Cheque ☒ Bank Transfer ☐ 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

Current systems:

1. The normal working days schedule is from Saturday to Thursday for all workers and employees. Friday is the weekly rest day. The factory works in 2 shifts, the first shift is from 08:00 to 17:00 with 1 hour break from 13:00 to 14:00. The second shift is from 16:00 to 24:00 with 1 hour break from 19:00 to 20:00. All workers are free to do their prayers for 5-10 minutes as paid break.
2. All sampled workers rest 1 day per week and work for 6 days/week based on Egyptians labour law.
3. All the workers are hired directly by the factory and there are no agency workers in the factory.
4. During the worker interview and documents review it was noted that overtime work is voluntarily; information from worker interviews coincides with time and payroll records. The sampled workers stated that they did not work the overtime and it was confirmed during the time records review.
5. The factory uses Finger Print Scanners to record working hours and for payrolls, The attendance records for 10 sampled workers for December 2021 (Off Peak), March 2022 (Off Peak) and June 2022 (Recent) were reviewed during the audit. During the documentary review, there were no concerns regarding the working hours observed.

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

1. Employment procedure updated on June 1st, 2022 was reviewed.
2. Documents and records review included attended sheet and production records.
3. Attendance records and payroll records for December 2021 (Off Peak), March 2022 (Off Peak) and June 2022 (Recent) were reviewed during the audit.
4. Interview with 10 workers.

Non-compliance: None
1. Description of non-compliance: Nil

☐ NC against ETI ☐ NC against Local Law ☐ NC against customer code:

Local law and/or ETI requirement: Nil

Recommended corrective action: Nil

Objective evidence observed: Nil

Observation: Nil

Description of observation: Nil

Local law or ETI requirement: Nil

Comments: Nil

Objective evidence observed: Nil

Good Examples observed: Nil

Description of Good Example (GE): Nil

Objective Evidence Observed: Nil

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		
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:	
		☐ 0 hrs ☐ Part time ☐ Variable hrs ☐ Other	
		If "Other", Please define:	
		N/A	
E. Do any standard/contracted working hours defined in contracts/employment agreements exceed 48 hours per week?	☐ Yes ☒ No	E1: If yes , please detail hours, %, types of workers affected and frequency Please give details: N/A	
F: Are workers provided with at least 1 day off in every 7-day-period, or 2 in 14-day-period?	F2: Please select all applicable: ☒ 1 in 7 days ☐ 2 in 14 days ☐ No If 'No', please explain:	F3: Is this allowed by local law? ☒ Yes ☐ No	
	Maximum number of days worked without a day off (in sample):		
	6 days' work and 1 day off (Friday).		
Standard/Contracted Hours worked			
G: Were standard working hours over 48 hours per week found?	☐ Yes ☒ No	G1: If yes, % of workers & frequency:	
		N/A	
H: Any local waivers/local law or permissions which allow averaging/annualised hours for this site?	☐ Yes ☒ No	H1: If yes, please give details:	
		N/A	

Overtime Hours worked		
I: Actual overtime hours worked in sample (State per day/week/month)	Highest OT hours:- -10 out of 10 samples from most current month of June 2022:- - Daily OT: Max. 0 hour. - Weekly OT: Max. 0 hour. - Monthly OT: Max. 0 hour. - 10 out of 10 samples from December 2021 (Off Peak month):- - Daily OT: Max. 0 hour. - Weekly OT: Max. 0 hour. - Monthly OT: Max. 0 hour. -10 out of 10 samples from March 2022 (Off Peak month):- - Daily OT: Max. 0 hour. - Weekly OT: Max. 0 hour. - Monthly OT: Max. 0 hour.	
J: Combined hours (standard or contracted + overtime hours = total) over 60 found? Please give details:	☐ Yes ☒ No	
K: Approximate percentage of total workers on highest overtime hours:	0%	
L: Is overtime voluntary?	☒ Yes ☐ No ☐ Conflicting Information	<i>L1: Please detail evidence e.g. Wording of contract/employment agreement/handbook/worker interviews/refusal arrangements:</i> <i>We verified during the documents review that this is mentioned in the workers' handbook, internal policies and was confirmed during the workers' interviews as well.</i>
Overtime Premiums		
M: Are the correct legal overtime premiums paid?	☒ Yes ☐ No ☐ N/A – there is no legal requirement to OT premium	<i>M1: Please give details of day overtime premium as a % of standard wages:</i> The factory pays overtime premiums as per Egyptian labour law 12/ 2003, Article # 85 which required overtime fee as following: a.135% of basic wages for day light overtime hours. b.170% of basic wages for night overtime hours. c.200% of basic wages for rest day overtime hours. d.300% of basic wages for holiday overtime hours.
N: Is overtime paid at a premium?	☒ Yes ☐ No	<i>N1: If yes, please describe % of workers & frequency:</i> The factory pays overtime premiums in accordance with Egyptian Labour Law 12/ 2003, Article # 85 as following: a.135% of basic wages for day light overtime hours. b.170% of basic wages for night overtime hours c.200% of basic wages for rest day overtime hours.

		d.300% of basic wages for holidays overtime hours.
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.	☒ No ☐ Consolidated pay <i>(May be standard wages above minimum legal wage, with no/low overtime premium)</i> ☐ Collective Bargaining agreements ☐ Other	
	O1: Please explain any checked boxes above e.g. detail of consolidated pay / CBA or Other	
	The factory pays overtime premiums as per Egyptian labour law 12/2003, Article # 85 which required overtime fee as following: a.135% of basic wages for day light overtime hours. . b.170% of basic wages for night overtime hours. c.200% of basic wages for rest day overtime hours. d.300% of basic wages for holiday overtime hours.	
P: If more than 60 total hours per week and this is legally allowed, are there other considerations? Please complete the boxes where relevant.	☐ Overtime is voluntary ☐ Onsite Collective bargaining allows 60+ hours/week ☐ Safeguards are in place to protect worker's health and safety ☐ Site can demonstrate exceptional circumstances ☐ Other reasons (please specify)	
	P1: Please explain any checked boxes above e.g. detail of consolidated pay / CBA or other:	
	The workers don't work more than 48 hours / week as mentioned in the time records.	
Q: Is there evidence that overtime hours are being used for extended periods to make up for labour shortages or increased order volumes?	☐ Yes ☒ No Q1: If yes, please give details:	
R: If sufficient workers cannot be hired, are new working time arrangements explored to ensure that overtime is the exception rather than the rule.	☐ Yes ☒ 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

Current systems:

1. During the management interviews, the workers interviews, and the documentary review, it was noted 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):

1. Employment procedure updated on June 1st, 2022 was reviewed.
2. Management interview.
3. Workers interview.
4. Documents and records were reviewed as follows:
 - a. Application form.
 - b. Grievance and suggestion box.

A: Gender breakdown of Management + Supervisors <i>(Include as one combined group)</i>	A1: Male: 100% A2: Female: 0%
B: Number of women who are in skilled or technical roles e.g. where specific qualifications are needed i.e. machine engineer / laboratory analyst:	#: 0, there is no females in the 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?:	☐ Hiring ☐ Compensation ☐ Access to training ☐ Promotion ☐ Termination or retirement ☒ No evidence of discrimination found C1: Please give details:

Professional Development	
A: What type of training and development are available for workers?	N/A, there is no professional training available to the workers.
B: Are HR decisions e.g. promotion, training, compensation based on objective, transparent criteria?	☒ Yes ☐ No If no, please give details:

Non-compliance: None	
1. Description of non-compliance: Nil ☐ NC against ETI ☐ NC against Local Law ☐ NC against customer code: Local law and/or ETI requirement: Nil Recommended corrective action: Nil	Objective evidence observed: Nil

Observation: Nil	
Description of observation: Nil Local law or ETI requirement: Nil Comments: Nil	Objective evidence observed: Nil

Good Examples observed: Nil	
Description of Good Example (GE): Nil	Objective Evidence Observed: Nil

8: Regular Employment Is Provided

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

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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

Current systems:

1. Work performed was on the basis of recognized work relationship established through Egyptian Labour Law and Practice.
2. The labour contracts are signed by both sides, the employer and the worker (on the first day of work).
3. There was no home worker.

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

1. Policy and procedure updated on June 1st, 2022 were reviewed.
2. Management interview.
3. Workers interviews.
4. Documents and records were reviewed as following:
 - a. Payroll records were reviewed.
 - b. Based on the labour contract, all the workers are covered with social insurance.
 - c. Labour contracts are matching with the legal requirements were reviewed.

Non-compliance: None	
1. Description of non-compliance: ☐ NC against ETI ☐ NC against Local Law ☐ NC against customer code: Local law and/or ETI requirement: Nil Recommended corrective action: Nil	Objective evidence observed: Nil

Observation: Nil	
Description of observation: Nil Local law or ETI requirement: Nil Comments: Nil	Objective evidence observed: Nil

Good Examples observed: Nil	
Description of Good Example (GE): Nil	Objective Evidence Observed: Nil

Responsible Recruitment

All Workers	
A: Were all workers presented with terms of employment at the time of recruitment, did they understand them and are the same as current conditions?	☒ Terms & Conditions presented ☒ Understood by workers ☒ 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?	☐ Yes ☒ No B1: If yes, please describe details and specific category (ies) of workers affected: N/A
C: If yes, check all that apply:	☐ Recruitment / hiring fees ☐ Service fees ☐ Application costs ☐ Recommendation fees ☐ Placement fees ☐ Administrative, overhead or processing fees ☐ Skills tests ☐ Certifications ☐ Medical screenings ☐ Passports/ID's ☐ Work / resident permits ☐ Birth certificates ☐ Police clearance fees ☐ Any transportation and lodging costs after employment offer ☐ Any transport costs between work place and home ☐ Any relocation costs after commencement of employment ☐ New hire training / orientation fees ☐ Medical exam fees ☐ Deposit bonds or other deposits ☐ Any other non-monetary assets ☐ Other – C1: If other, please give details:
D: If any checked, give details:	N/A

Migrant Workers:		
<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:	N/A	
B: Please give details about recruitment agencies for migrant workers:	B1: Total number of (in country recruitment agencies) used: N/A. B2: Total number of (outside of local country) recruitment agencies used: N/A.	
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?	☐ Yes ☐ No C1: Please describe finding: N/A	C2: Observations: N/A
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>	☐ Yes ☐ No D1: If yes, number and example of roles: N/A	

NON-EMPLOYEE WORKERS

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

Agency Workers (if applicable) N/A	
<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?	☐ Yes ☐ No
C: Were sufficient documents for agency workers available for review?	☐ Yes ☐ No
D: Is there a legal contract / agreement with all agencies?	☐ Yes ☐ No D1: Please give details:
E: Does the site have a system for checking labour standards of agencies? If yes, please give details.	☐ Yes ☐ No E1: Please give details:

Contractors: N/A	
<i>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,</i>	
A: Any contractors on site?	☐ Yes ☐ No A1: If yes, how many contractors are present, please give details:
B: If Yes , how many workers supplied by contractors?	
C: Do all contractor workers understand their terms of employment?	☐ Yes ☐ No C1: Please describe finding:
D: If Yes , please give evidence for contractor workers being paid per law:	

8A: Sub-Contracting and Home-working

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

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

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, home-working and external processing.

Note to auditor on home-working:

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

Current systems:

There is no sub-contracting /home workers hired by the factory, as all orders were produced in the factory premises.

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

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

<i>Process Subcontracted</i>	<i>Process 1</i>	<i>Process 2</i>
<i>Name of factory</i>		
<i>Address</i>		
<i>Process Subcontracted</i>	<i>Process 3</i>	<i>Process 4</i>
<i>Name of factory</i>		
<i>Address</i>		
<i>Process Subcontracted</i>	<i>Process 5</i>	<i>Process 6</i>
<i>Name of factory</i>		
<i>Address</i>		

Non-compliance: None

1. Description of non-compliance: Nil

- ☐ NC against ETI/Additional Elements
☐ NC against customer code:

☐ NC against Local Law

Local law and/or ETI /Additional Elements requirement: Nil

Recommended corrective action: Nil

Objective evidence observed: Nil

Observation: Nil	
Description of observation: Nil	Objective evidence observed: Nil
Local law or ETI/Additional elements requirement: Nil	
Comments: Nil	

Good Examples observed: Nil	
Description of Good Example (GE): Nil	Objective Evidence Observed: Nil

Summary of sub-contracting – if applicable	
☒ 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	☐ Yes ☐ No A1: Please describe:
B: If sub-contractors are used, is there evidence this has been agreed with the main client?	☐ Yes ☐ No B1: If Yes , summarise details:
C: Number of sub-contractors/agents used:	
D: Is there a site policy on sub-contracting?	☐ Yes ☐ 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 home-working – if applicable			
☒ Not Applicable please x			
A: If home-working is being used, is there evidence this has been agreed with the main client?	☐ Yes ☒ No A1: If Yes , summarise details:		
B: Number of home-workers	B1: Male:	B2: Female:	Total:
C: Are home-workers employed direct or through agents?	☐ Directly ☐ Through Agents		C1: If through agents, number of agents:
D: Is there a site policy on home-working?	☐ Yes ☐ No		
E: How does the site ensure worker hours and pay meet local laws for home-workers?			
F: What processes are carried out by home-workers?			
G: Do any contracts exist for home-workers?	☐ Yes ☐ No G1: Please give details:		
H: Are full records of home-workers available at the site?	☐ Yes ☐ 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	
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 3 rd party?	☒ Yes ☐ No A1: Please give details: The factory is operated under SEDEX before; all the workers and employees are informed that they can send their suggestions or complaints to SEDEX.
B: If yes , are workers aware of these channels and have access? Please give details.	Yes, all the workers and employees are aware about informing SEDEX about their suggestions and complaints.
C: If yes, what type of mechanism is used e.g. hotline, whistle blowing mechanism, comment box etc. Please give details.	Through e-mails and on phone calls.
D: Which of the following groups is there a grievance mechanism in place for?	☒ Workers ☐ Communities ☐ Suppliers ☐ Other D1: Please give details: The factory has a grievance mechanism as they have an open-door policy and a grievance box (1 box) as well. Mr. Mahmoud Abdullah / HR and Admin Manager is in charge to check this box on weekly basis.
E: Are there any open disputes?	☐ Yes ☒ No E1: If yes, please give details
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)	☒ Yes ☐ No F1: If no, please give details
G: Is there a published and transparent disciplinary procedure?	☒ Yes ☐ No G1: If no, please explain
H: If yes, are workers aware of these the disciplinary procedure?	☒ Yes ☐ No H1: If no, please give details
I: Does the disciplinary procedure allow for deductions from wages (fines) for disciplinary purposes (see wages section)?	☐ Yes ☒ No I1: If yes, please give details

Current Systems and Evidence Examined

Current systems:

1- The factory has updated written anti-harsh or inhumane treatment policy on June 1st, 2022. This policy includes commitment 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 factory and the discipline procedure of the factory 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):

1. The policy for no harsh or inhumane treatment updated on June 1st, 2022 was reviewed.
2. Management interview.
3. Workers interviews.

Non-compliance: None

1. Description of non-compliance: Nil

☐ NC against ETI ☐ NC against Local Law ☐ NC against customer code:

Local law and/or ETI requirement: Nil

Recommended corrective action: Nil

Objective evidence observed: Nil

Observation: Nil

Description of observation: Nil

Local law or ETI requirement: Nil

Comments: Nil

Objective evidence observed: Nil

Good Examples observed: Nil

Description of Good Example (GE): Nil

Objective Evidence Observed: Nil

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

Current systems:

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

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

The factory does not have any migrant workers. All the factory workers are Egyptians.

Non-compliance: None

1. Description of non-compliance: Nil

- ☐ NC against ETI/Additional Elements
☐ NC against customer code:

☐ NC against Local Law

Objective evidence
observed: Nil

Local law and/or ETI /Additional Elements requirement: Nil

Recommended corrective action: Nil

Observation: Nil

Description of observation: Nil

Local law or ETI/Additional Elements requirement: Nil

Comments: Nil

Objective evidence
observed: Nil

Good examples observed: Nil

Description of Good Example (GE): Nil

Objective Evidence
Observed: Nil

10. Other issue areas 10B2: Environment 2–Pillar

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

To be completed for a 2–Pillar SMETA Audit, and remove the following page which is 10B4 environment 4 pillar

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

10B2.2 The supplier should be aware of and comply with their end clients' environmental requirements.

Note for auditors and readers, this is not a full environmental assessment but a check on basic systems and management approach.

Current Systems and Evidence Examined

Current systems:

1- The factory has updated environmental policy on June 1st, 2022, which covers its environmental impact, and has communicated to all the suppliers and customers.

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

3- The factory is aware of the significant environmental impact and the processes as mentioned in the last training on June 1st, 2022.

4- The factory has measured the impacts and these impacts are mentioned in the last environmental measurements report on January 28th, 2022 by Integrated Solutions Group.

5- The factory has established and maintained environmental management system, which was updated on June 1st, 2022.

6- The factory has designated Mr. Mohamed Hussein / H&S Officer in charge of continuous improvements in its 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 prior the audit and it was reviewed during the audit.

2- Environmental policy updated on June 1st, 2022 was reviewed.

3- Environmental measurements report was done on January 28th, 2022 by Integrated Solutions Group.

4- Last updates of the Egyptian Environmental Laws # 04/2004, 09/2009 and its associated decrees.

Non-compliance: None

1. Description of non-compliance: Nil

☐ NC against ETI/Additional Elements

☐ NC against Local

☐ NC against customer code:

Local law and/or ETI/Additional Elements requirement: Nil

Recommended corrective action: Nil

Objective evidence observed: Nil

Observation: Nil	
Description of observation: Nil	Objective evidence observed: Nil
Local law or ETI/Additional elements requirements: Nil	
Comments: Nil	

Good examples observed: Nil	
Description of Good Example (GE): Nil	Objective Evidence Observed: Nil

Other Findings Outside the Scope of the Code

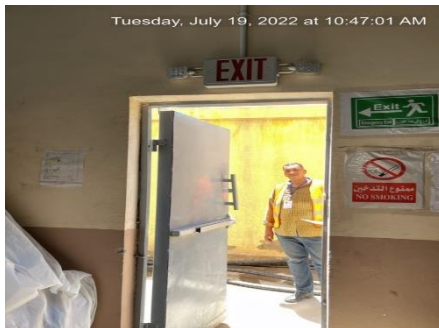
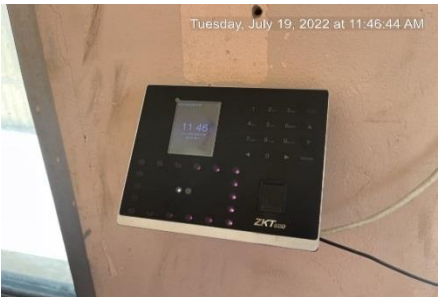
None.

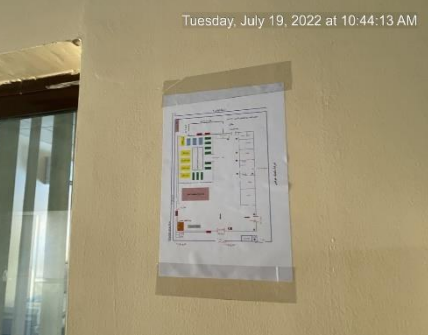
Community Benefits

(Please list below any specific community benefits that the site management stated that they were involved in, for example, HIV programme, education, sports facilities)

None.

Photo Form

 Tuesday, July 19, 2022 at 10:38:39 AM	 Tuesday, July 19, 2022 at 10:39:56 AM	 Tuesday, July 19, 2022 at 10:38:21 AM
The Name Board of the Facility	The Main Gate	The Building Overview
 Tuesday, July 19, 2022 at 10:42:01 AM	 Tuesday, July 19, 2022 at 10:49:07 AM	 Tuesday, July 19, 2022 at 10:50:34 AM
The Raw Materials Warehouse	The Extrusion Workshop	The Printing Workshop
 Tuesday, July 19, 2022 at 10:51:06 AM	 Tuesday, July 19, 2022 at 10:46:01 AM	 Tuesday, July 19, 2022 at 10:47:01 AM
The Cutting and Packing Workshops	The Finished Goods Warehouse	Safety Exit Door, Evacuation Sign, and Emergency Light
 Tuesday, July 19, 2022 at 10:45:46 AM	 Tuesday, July 19, 2022 at 11:44:49 AM	 Tuesday, July 19, 2022 at 11:46:44 AM
Electric Panel with Warning Sign	The Compressor	The Finger Print Scanner

		
Fire Hose and Fire Hydrant	Fire Extinguisher	Evacuation Map
		
A First Aid Box	Evacuation Route	A Toilet
		
NC 01: 1 of the Fire Extinguishers in the Production Workshop, Placed Directly on the Ground	NC 02: 1 of the Chemicals, with No MSDS Posted Nearby	Nil



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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:

[Click here for Buyer \(A\) & Buyer/Supplier \(A/B\) members:](#)

http://www.surveymonkey.com/s.aspx?sm=riPsbE0PQ52ehCo3Inq5lw_3d_3d

[Click here for Supplier \(B\) members:](#)

http://www.surveymonkey.com/s.aspx?sm=d3vYsCe48fre69DRgIY_2brg_3d_3d

[Click here for Auditors:](#)

<https://www.surveymonkey.co.uk/r/BRTVCKP>