




# Sedex Members Ethical Trade Audit Report

**Version 6.1**



Audit Details			
Sedex Company Reference: <i>(only available on Sedex System)</i>	ZC: Non-Sedex member	Sedex Site Reference: <i>(only available on Sedex System)</i>	ZS: Non-Sedex member
Business name (Company name):	Dřevo-palety-Vlk, s.r.o.		
Site name:	Dřevo-palety-Vlk, s.r.o.		
Site address: <i>(Please include full address)</i>	Buk 9, 3931 Prachatice	Country:	Czech Republic
Site contact and job title:	Petra Kučerová - managing director		
Site phone:	+420602487135	Site e-mail:	kucerova@dpvlk.cz
SMETA Audit Pillars:	<input checked="" type="checkbox"/> Labour Standards	<input checked="" type="checkbox"/> Health & Safety (plus Environment 2-Pillar)	<input checked="" type="checkbox"/> Environment 4-pillar
			<input checked="" type="checkbox"/> Labour Standards
Date of Audit:	2-3/02/2022		

<b>Audit Company Name &amp; Logo:</b>  Bureau Veritas	<b>Report Owner (payer):</b> Dřevo-palety-Vlk, s.r.o.
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Audit Conducted By					
Affiliate Audit Company	<input checked="" type="checkbox"/>	Purchaser	<input type="checkbox"/>	Retailer	<input type="checkbox"/>
Brand owner	<input type="checkbox"/>	NGO	<input type="checkbox"/>	Trade Union	<input type="checkbox"/>
Multi-stakeholder	<input type="checkbox"/>	Combined Audit (select all that apply)			

If you have any concerns or queries about this SMETA report or the associated SMETA audit, please contact [grievance@sedex.com](mailto: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): N/A

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

Lead auditor: Lubomír Závodník APSCA number: 21701400

Lead auditor APSCA status: Good Standing

Team auditor: N/A APSCA number: N/A

Interviewers: Lubomír Závodník APSCA number: 21701400

Report writer: Lubomír Závodník

Report reviewer: Przemysław Drożyner

Date of declaration: 3/2/2022

*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) 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 <a href="#">Universal Rights covering UNGP</a>			<input type="checkbox"/>	<input type="checkbox"/>				Nothing to report
0B <a href="#">Management systems and code implementation</a>		<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>				Nothing to report
1. <a href="#">Freely chosen Employment</a>	<input type="checkbox"/>	<input type="checkbox"/>		<input type="checkbox"/>				Nothing to report
2. <a href="#">Freedom of Association</a>	<input type="checkbox"/>	<input type="checkbox"/>		<input type="checkbox"/>				Nothing to report
3. <a href="#">Safety and Hygienic Conditions</a>	<input type="checkbox"/>	<input type="checkbox"/>		<input checked="" type="checkbox"/>		5		<p>Obs 1: Blocked access to emergency exit in handmade pallet production hall. It is not a noncompliance, because it was corrected immediately.</p> <p>Obs 2: Fire hydrant barred by bags in the lower hall. It is not a noncompliance, because it was corrected immediately.</p> <p>Obs 3: Rack for instruments used without load designation in the garage. It is not a noncompliance, because it was corrected immediately.</p> <p>Obs 4: The clutter found in the trolley charging area in the middle hall. It is not a noncompliance, because it was corrected immediately.</p> <p>Obs 5: It was not clear whether records of ladder inspections were kept. It is not a noncompliance, because it was corrected immediately.</p>

4	<u>Child Labour</u>	<input type="checkbox"/>	<input type="checkbox"/>		<input type="checkbox"/>				Nothing to report
5	<u>Living Wages and Benefits</u>	<input type="checkbox"/>	<input type="checkbox"/>		<input type="checkbox"/>				GE: Special benefits for employees: transport of employees to work free of charge, supplementary charge for meal tickets, the company's contribution to the employee's supplementary pension insurance
6	<u>Working Hours</u>	<input type="checkbox"/>	<input type="checkbox"/>		<input type="checkbox"/>				Nothing to report
7	<u>Discrimination</u>	<input type="checkbox"/>	<input type="checkbox"/>		<input type="checkbox"/>				Nothing to report
8	<u>Regular Employment</u>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>				Nothing to report
8A	<u>Sub-Contracting and Homeworking</u>		<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>				Nothing to report
9	<u>Harsh or Inhumane Treatment</u>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>				Nothing to report
10A	<u>Entitlement to Work</u>		<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>				Nothing to report
10B2	<u>Environment 2-Pillar</u>		<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>				N/A
10B4	<u>Environment 4-Pillar</u>		<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>				GE: Improvements based on energy audit - reduction of emissions by installing biomass boilers.
10C	<u>Business Ethics</u>		<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>				Nothing to report

General observations and summary of the site:

**0: Management system and Code Implementation**

There is a management system ISO 9001:2015 implemented at the plant; responsible managers were appointed, the correct licenses and permissions are kept to operate legally in premises, CoC is communicated.

**1: Employment is Freely Chosen**

The factory has a policy which prohibits forced labour and this was available for review.  
New workers must present their original IDs for proof of age, only copies are kept in the personnel files.

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



No Trade Union Organisation operates at the site, one Worker representant voted.

All interviewed employees confirm that the company does not prohibit anybody to join any trade union organization.

**3: Working Conditions are Safe and Hygienic**

Safe and hygienic working environment is provided.

Workers are trained regularly; records of Health & Safety and Fire protection training were available.

**5 Observations:**

Obs 1: Blocked access to emergency exit in handmade pallet production hall. It is not a noncompliance, because it was corrected immediately.

Obs 2: Fire hydrant barred by bags in the lower hall. It is not a noncompliance, because it was corrected immediately.

Obs 3: Rack for instruments used without load designation in the garage. It is not a noncompliance, because it was corrected immediately.

Obs 4: The clutter found in the trolley charging area in the middle hall. It is not a noncompliance, because it was corrected immediately.

Obs 5: It was not clear whether records of ladder inspections were kept. It is not a noncompliance, because it was corrected immediately.

**4: Child Labour Shall Not Be Used**

A procedure for checking ages of workers at application stage used.

Check of workers files showed that the youngest worker present was over 18 years old.

**5: Living Wages are Paid**

All workers are provided with written and understandable contract including information about their employment conditions in respect to wages before they enter employment. No evidence of non-conformity to the Czech Law regulations was found.

**Good Example Observed:** Special benefits for employees: transport of employees to work free of charge, supplementary charge for meal tickets, the company's contribution to the employee's supplementary pension insurance

**6: Working Hours are not Excessive**

Through employees' interview, overtime is voluntary and is always compensated at a premium rate.

Attendance time is entered directly into the electronic payroll system which calculates wages.

**7: No Discrimination is Practiced**

All interviewed workers were aware of the grievance possibility.

No evidence of sexual harassment noted.

**8: Regular Employment Is Provided**

All employment relationship was found in conformity with national law.

No labour-only contracting, sub-contracting, or home-working was present

**8A: Sub-Contracting and Homeworking**

A site tour showed that all production processes are present inside the unit. No sub-contractor was used.

**9: No Harsh or Inhumane Treatment is Allowed**

As per document review and workers interview, there is a policy on Harsh Treatment that is familiar to workers.

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

As per document review only workers with a legal right to work are employed or used by the supplier.

**10. Other issue areas 10B4: Environment 4-Pillar**

The company meets all requirements of local and national laws related to Czech Law requirements.  
The plant has the relevant valid permits including for use and disposal of resources.

**Good Example Observed:** Improvements based on energy audit - reduction of emissions by installing biomass boilers.

**10C: Business Ethics – 4-Pillar Audit**

The company management is aware of the end client's business practices standards requirements.

*\*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:	Dřevo-palety-Vlk, s.r.o.																						
B: Site name:	Dřevo-palety-Vlk, s.r.o.																						
C: GPS location: (If available)	GPS Address:	Latitude: 49.03157 Longitude: 13.85422																					
D: Applicable business and other legally required licence numbers and documents, for example, business license number, liability insurance, any other required government inspections	Business license number: CZ 16855841- permanent license since the company exists. Certificate of insurance of entrepreneurs and legal entities No. 2088445788 issued on 11/02/2021.																						
E: Products/Activities at site, for example, garment manufacture, electricals, toys, grower, cutting, sewing, packing etc	Production of wood pallets																						
F: Site description: (Include size, location, and age of site. Also, include structure and number of buildings)	<p>The company operates on the outskirts of the village of Buk, which is located in a protected landscape area near the town of Prachatice. The complex, which is owned by the company, has an area of 32,248 m2. There are 5 buildings with a total built-up area of 4,567 m2.</p> <table border="1"> <thead> <tr> <th>Administrative Building</th> <th>Description</th> <th>Remark, if any</th> </tr> </thead> <tbody> <tr> <td>Floor 1</td> <td>Canteen, Women dressing room, boiler room K1</td> <td>Built in 1970</td> </tr> <tr> <td>Floor 2</td> <td>Offices, Men dressing room</td> <td>Reconstructed in 1995</td> </tr> <tr> <td>Is this a shared building?</td> <td>No</td> <td>N/A</td> </tr> </tbody> </table> <table border="1"> <thead> <tr> <th>New wood dryer</th> <th>Description</th> <th>Remark, if any</th> </tr> </thead> <tbody> <tr> <td>Floor 1</td> <td>wood dryer and boiler room K2</td> <td>Built in 2016</td> </tr> <tr> <td>Is this a shared building?</td> <td>No</td> <td>N/A</td> </tr> </tbody> </table>		Administrative Building	Description	Remark, if any	Floor 1	Canteen, Women dressing room, boiler room K1	Built in 1970	Floor 2	Offices, Men dressing room	Reconstructed in 1995	Is this a shared building?	No	N/A	New wood dryer	Description	Remark, if any	Floor 1	wood dryer and boiler room K2	Built in 2016	Is this a shared building?	No	N/A
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	Floor 1	Production of wood palettes	Built in 1970										
	<table border="1"> <tr> <th>Garage</th> <th>Description</th> <th>Remark, if any</th> </tr> <tr> <td>Floor 1</td> <td>truck service</td> <td>Built in 2020</td> </tr> <tr> <td>Is this a shared building?</td> <td>No</td> <td>N/A</td> </tr> </table>	Garage	Description	Remark, if any	Floor 1	truck service	Built in 2020	Is this a shared building?	No	N/A			
	Garage	Description	Remark, if any										
	Floor 1	truck service	Built in 2020										
	Is this a shared building?	No	N/A										
	<p>For below, please add any extra rows if appropriate.</p> <p>F1: Visible structural integrity issues (large cracks) observed?  <input type="checkbox"/> Yes  <input checked="" type="checkbox"/> No</p> <p>F2: Please give details: The last large construction of garage took place in 2019.</p> <p>F3: Does the site have a structural engineer evaluation?  <input checked="" type="checkbox"/> Yes  <input type="checkbox"/> No</p> <p>F4: Please give details: Building approval of the biomass boiler room issued by the Construction Department of the City of Prachatice No. 330-243 / 2826 / 04-2 of 22/1/2016, valid until the change of use of the building.</p>												
G: Site function:	<input type="checkbox"/> Agent <input checked="" type="checkbox"/> Factory Processing/Manufacturer <input type="checkbox"/> Finished Product Supplier <input type="checkbox"/> Grower <input type="checkbox"/> Homeworker <input type="checkbox"/> Labour Provider <input type="checkbox"/> Pack House <input type="checkbox"/> Primary Producer <input type="checkbox"/> Service Provider <input type="checkbox"/> Sub-Contractor												
H: Month(s) of peak season: (if applicable)	No peak season												
I: Process overview: (Include products being produced, main operations, number of production lines, main equipment used)	Cutting logs: STORI MANTEL FLS (trimming saw), wooden planks shortening: HOLTEC VC-SHK-WG5M-POS (shortener) wood drying: SCHNEIDER dryer												

	<p>machine palletizing: KALLFASS RA 6000 (shortening saw)            STORTI FLEX 59M (Pallet machine); ATICA VAS 122, Ollitech (semi-automatic pallet stacker)            Expedition: a fleet of 24 trucks for transporting pallets from the factory to the customer (EURO 5 : 5 tracs, EURO 6: 19 trucs)</p>
J: What form of worker representation / union is there on site?	<input type="checkbox"/> Union (name) <input type="checkbox"/> Worker Committee <input checked="" type="checkbox"/> Other (specify): Worker Representant <input type="checkbox"/> None
K: Is there any night production work at the site?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
L: Are there any on site provided worker accommodation buildings e.g. dormitories	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No L1: If yes, approx. % of workers in on site accommodation N/A
M: Are there any off site provided worker accommodation buildings	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No M1: If yes, approx. % of workers
N: Were all site-provided accommodation buildings included in this audit	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No N1: If no, please give details – no accommodation buildings

Audit Parameters			
A: Time in and time out	Day 1 Time in: 9:00 Day 1 Time out: 17:00	Day 2 Time in: 9:00 Day 2 Time out: 13:00	Day 3 Time in: 8:00 Day 3 Time out: 12:00 reporting
B: Number of auditor days used:	One auditor 1,5 days on site, 0,5 day off site reporting		
C: Audit type:	<input checked="" type="checkbox"/> Full Initial <input type="checkbox"/> Periodic <input type="checkbox"/> Full Follow-up <input type="checkbox"/> Partial Follow-Up <input type="checkbox"/> Partial Other If other, please define:		
D: Was the audit announced?	<input checked="" type="checkbox"/> Announced <input type="checkbox"/> Semi – announced: Window detail:    weeks <input type="checkbox"/> Unannounced		
E: Was the Sedex SAQ available for review?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No If No, why not: Non-Sedex member		
F: Any conflicting information SAQ/Pre-Audit Info to Audit findings?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No If <b>Yes</b> , please capture detail in appropriate audit by clause		
G: Who signed and agreed CAPR (Name and job title)	Petra Kučerová - managing director		
H: Is further information available (If yes, please contact audit company for details)	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No		
I: Previous audit date:	N/A		
J: Previous audit type:	N/A		
K: Were any previous audits reviewed for this audit	<input type="checkbox"/> Yes <input type="checkbox"/> No <input checked="" type="checkbox"/> N/A		

Audit attendance	Management	Worker Representatives	
	Senior management	Worker Committee representatives	Union representatives
A: Present at the opening meeting?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
B: Present at the audit?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
C: Present at the closing meeting?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
D: If Worker Representatives were not present please explain reasons why <i>(only complete if no worker reps present)</i>	Worker Representant present		
E: If Union Representatives were not present please explain reasons why: <i>(only complete if no union reps present)</i>	No Trade Union established		

## Worker Analysis

The term "migrant worker" refers to a person who is engaged or has been engaged in a remunerated activity in a country of which they are not a national or permanent resident or has purposely migrated on a temporary basis to another in-country region to seek and engage in a remunerated activity.

Worker Analysis								
	Local			Migrant*			Home workers	Total
	Permanent	Temporary	Agency	Permanent	Temporary	Agency		
Worker numbers – Male	66	0	0	11	0	0	0	77
Worker numbers – female	22	0	0	0	0	0	0	22
Total	88	0	0	11	0	0	0	99
Number of Workers interviewed – male	4	0	0	3	0	0	0	7
Number of Workers interviewed – female	3	0	0	0	0	0	0	3
Total – interviewed sample size	7	0	0	3	0	0	0	10



A: Nationality of Management	Czech	
<p>B: Please list the nationalities of all workers, with the three most common nationalities listed first.</p> <p><i>Please add more nationalities as applicable to site. Add more rows if required.</i></p>	<p>Nationalities:</p> <p>B1: Nationality 1: <u>  Czech  </u></p> <p>B2: Nationality 2: <u>  Ukraine  </u></p> <p>B3: Nationality 3: <u>  N/A  </u></p>	<p>Was the list completed during peak season?</p> <p><input type="checkbox"/> Yes</p> <p><input checked="" type="checkbox"/> No</p> <p>If no, please describe how this may vary during peak periods: No peak season</p>
C: Please provide more information for the three most common nationalities.	<p>C: approx % total workforce: Nationality 1 <u>  90,5  </u>%</p> <p>C1: approx % total workforce: Nationality 2 <u>  9,5  </u>%</p> <p>C2: approx % total workforce: Nationality 3 <u>  N/A  </u></p>	
D: Worker remuneration <i>(management information)</i>	<p>D: <u>  0  </u>% workers on piece rate</p> <p>D1: <u>  76  </u>% hourly paid workers</p> <p>D2: <u>  34  </u>% salaried workers</p> <p>Payment cycle:</p> <p>D3: <u>      </u>% daily paid</p> <p>D4: <u>      </u>% weekly paid</p> <p>D5: <u>  100  </u>% monthly paid</p> <p>D6: <u>      </u>% other</p> <p>D7: If other, please give details</p>	





Worker Interview Summary		
A: Were workers aware of the audit?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	
B: Were workers aware of the code?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	
C: Number of group interviews: <i>(Please specify number and size of groups. Please see SMETA Best Practice Guidance and Measurement Criteria. If the auditor was not able to follow the BPG, please state within the declaration)</i>	The interviews took place in 1 group of 4 and 6 individual interviews.	
D: Number of individual interviews <i>(Please see SMETA Best Practice Guidance and Measurement Criteria)</i>	D1: Male:3	D1: Male:3
E: All groups of workers are included in the scope of this audit such as; Direct employees, Casual and agency workers, Workers employed by service providers such as security and catering staff as well as workers supplied by other contractors. <i>Note to auditor: please record details of migrant /agency/contractor workers in section 8 – Regular Employment, under Responsible Recruitment</i>	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No  If no, please give details	
F: Interviews were done in private and the confidentiality of the interview process was communicated to the workers?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	
G: In general, what was the attitude of the workers towards their workplace?	<input checked="" type="checkbox"/> Favourable <input type="checkbox"/> Non-favourable <input type="checkbox"/> Indifferent	
H: What was the most common worker complaint?	Nothing serious	
I: What did the workers like the most about working at this site?	All workers enjoyed working at this factory	
J: Any additional comment(s) regarding interviews:	Nothing to report	
K: Attitude of workers to hours worked:	OT is irregular and voluntary, minimum OT	
L. Is there any worker survey information available?		
<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No L1: If yes, please give details:		
M: Attitude of workers: <i>(Include their attitude to management, workplace, and the interview process. Both positive and negative information should be included) Note: Do not document any information that could put workers at risk</i>		

10 workers were selected for interview including 7 males and 3 female workers, they were interviewed as 1 group of 4 and 6 workers were interviewed individually. All interviewed workers were cooperative, open and communicative. All of them appreciated good relationships on the work place and good relationships with supervisors and management.

N: Attitude of worker's committee/union reps:  
*(Include their attitude to management, workplace, and the interview process. Both positive and negative information should be included) Note: Do not document any information that could put workers at risk*

Worker Representant appreciates good working conditions, direct contact with management, and large benefits.

O: Attitude of managers:  
*(Include attitude to audit, and audit process. Both positive and negative information should be included)*

The factory management had a system in place to check their current practices against their clients' requirements and the local law, and they took notice of the findings of the internal audit team and had implemented a Health & Safety committee to take care of health and safety concerns. The attitude of management to the ethical accountability is positive. Top management is experienced in the local labour legislative.

## Audit Results by Clause

### 0A: Universal Rights covering UNGP

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

#### 0.A. Guidance for Observations

0.A.1 Businesses should have a policy, endorsed at the highest level, covering human rights impacts and issues, and ensure it is communicated to all appropriate parties, including its own suppliers.

0.A.2 Businesses should have a designated person responsible for implementing standards concerning Human rights

0.A.3 Businesses shall identify their stakeholders and salient issues.

0.A.4 Businesses shall measure their direct, indirect, and potential impacts on stakeholders (rights holders) human rights.

0.A.5 Where businesses have an adverse impact on human rights within any of their stakeholders, they shall address these issues and enable effective remediation.

0.A.6 Businesses shall have a transparent system in place for confidentially reporting, and dealing with human rights impacts without fear of reprisals towards the reporter.

Note for auditors and readers. This is not a full Human Rights Assessment, but instead a check on the business's implementation of processes to meet their Universal rights covering UNGP responsibilities.

#### Current Systems and Evidence Examined

*To complete 'current systems' Auditors examine policies and written procedures in conjunction with relevant managers, to understand, and record what controls and processes are currently in place e.g. record what policies are in place, what relevant procedures are carried out, who is /are responsible for the management of this item of the code. Evidence checked should detail any documentary or verbal evidence shown to support the systems.*

Company accepted the main customer Ethical Code. There is an Ethical Policy, which covers human rights impacts and issues. It is communicated to all appropriate parties.

Company identified its stakeholders and salient issues and measures its impacts on stakeholders' human rights.

Company has not detected any adverse impact on human rights.

Company has a transparent system in place for confidentially reporting, and dealing with human rights impacts without fear of reprisals towards the reporter.

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

Details: The main customer Ethical Code, Quality Policy, Health and Safety Policy.

Any other comments: N/A

<p>A: Policy statement that expresses commitment to respect human rights?</p>	<p><input checked="" type="checkbox"/> Yes  <input type="checkbox"/> No  A1: Please give details:   The main customer Ethical Code adopted</p>
<p>B: Does the business have a designated person responsible for implementing standards concerning Human Rights?</p>	<p><input checked="" type="checkbox"/> Yes  <input type="checkbox"/> No   Please give details:  Name: Petra Kučerová  Job title: Managing Director</p>
<p>C: Does the business have a transparent system in place for confidentially reporting, and dealing with human rights impacts without fear of reprisals towards the reporter?</p>	<p><input checked="" type="checkbox"/> Yes  <input type="checkbox"/> No  C1: Please give details: Confidence box</p>
<p>D: Does the grievance mechanism meet UNGP expectations? (Legitimate, Accessible, Predictable, Equitable, Transparent, Rights-compatible, a source of continuous learning and based on stakeholder engagement)</p>	<p><input checked="" type="checkbox"/> Yes  <input type="checkbox"/> No  D1: If no, please give details. N/A</p>
<p>E: Does the business demonstrate effective data privacy procedures for workers' information, which is implemented?</p>	<p><input checked="" type="checkbox"/> Yes  <input type="checkbox"/> No   E1: Please give details: Application of the GDPR Regulation</p>

Findings: Nothing to report		
<p><b>Finding: Observation</b> <input type="checkbox"/></p> <p><b>Description of observation:</b></p>  <p><b>Local law or ETI/Additional elements / customer specific requirement:</b></p>  <p><b>Comments:</b></p>	<p><b>Company NC</b> <input type="checkbox"/></p>	<p><b>Objective evidence observed:</b></p>

Good examples observed:	
<p><b>Description of Good Example (GE):</b></p>	<p><b>Objective Evidence Observed:</b></p>

## 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: 2020 __14%__	A2: This year 2021 __16__%
B: Current % quarterly (90 days) turnover: Number of workers leaving from the first day of the 90 days period through to the last day of the 90 day period / [(number of employees on the 1 <sup>st</sup> day of 90 day period + number of employees on the last day of the 90 day period) / 2]	2,5 %	
C: Annual % absenteeism: Number of days lost through job absence in the year / [(number of employees on 1 <sup>st</sup> day of the year + number employees on the last day of the year) / 2] * number available workdays in the year	C1: Last year: 2020 __25,72__%	C2: This year 2021 __22,52__%
D: Quarterly (90 days) % absenteeism: Number of days lost through job absence in the period / [(Number of employees on 1 <sup>st</sup> of the period + Number of employees on the last day of the period) / 2] * Number of available workdays in the month	2,8 %	
E: Are accidents recorded?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No E1: Please describe: Book of accidents	
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: 2020 Number: 3/90	F2: This year: 2021 Number: 4/90
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]	12,12 %	
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: 2020 10,6 %	H2: This year: 2021 12,7 %
I: % of workers that work on average more than 48 standard hours / week in the last 6 / 12 months:	I1: 6 months __0__% workers	I2: 12 months __0__% workers
J: % of workers that work on average more than 60 total hours / week in the last 6 / 12 months:	J1: 6 months __0__% workers	J2: 12 months __0__% workers

**0B: Management system and Code Implementation**

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

0.B.1 Suppliers are expected to implement and maintain systems for delivering compliance to this Code.  
 0.B.2 Suppliers are expected to be operating legally in premises with the correct business licenses and permissions and to have systems to ensure that all relevant land rights have been complied with  
 0.B.3 Suppliers shall appoint a senior member of management who shall be responsible for compliance with the Code.  
 0.B.4 Suppliers are expected to communicate this Code to all employees.  
 0.B.5 Suppliers should communicate this code to their own suppliers and, where reasonably practicable, extend the principles of this Ethical Code through their supply chain.

**Current Systems and Evidence Examined**

*To complete 'current systems' Auditors examine policies and written procedures in conjunction with relevant managers, to understand, and record what controls and processes are currently in place e.g. record what policies are in place, what relevant procedures are carried out, who is/are responsible for the management of this item of the code. Evidence checked should detail any documentary or verbal evidence shown to support the systems.*

**Current systems:**

There is a ISO 9001 management system implemented at the plant; company operates legally in premises with the correct business licenses and permissions.  
 There is a system to ensure that all relevant land rights have been complied with.  
 A senior member of management was appointed to be responsible for compliance with the Code (Mrs. Petra Kučerová - Managing Director).  
 The Policy and the company ETI Code is available and communicated to the staff and to suppliers too.

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

Details: The main customer Ethical Code, Quality Policy, Health and Safety Policy.

Any other comments: N/A

**Management Systems:**

<p>A: In the last 12 months, has the site been subject to any fines/prosecutions for non-compliance to any regulations?</p>	<p><input type="checkbox"/> Yes  <input checked="" type="checkbox"/> No                  A1: Please give details: The company demonstrates that comply with all regulations and recently has not been subject to any fine for non-compliance to local regulations.</p>
<p>B: Do policies and/or procedures exist that reduce the risk of forced labour, child labour, discrimination, harassment &amp; abuse?</p>	<p><input checked="" type="checkbox"/> Yes  <input type="checkbox"/> No                  B1: Please give details: The main customer Ethical Code, Quality Policy, Health and Safety Policy.</p>
<p>C: If Yes, is there evidence (an indication) of effective implementation? Please give details.</p>	<p>Regulation Code of Ethics implemented</p>

<p>D: Have managers and workers received training in the standards for forced labour, child labour, discrimination, harassment &amp; abuse?</p>	<p><input checked="" type="checkbox"/> Yes  <input type="checkbox"/> No  D1: Please give details: Code of Ethics training</p>
<p>E: If Yes, is there evidence (an indication) that training has been effective e.g. training records etc.? Please give details</p>	<p><input type="checkbox"/> Yes  <input type="checkbox"/> No  E1: Please give details: Attendance record of training on 26/01/2021</p>
<p>F: Does the site have any internationally recognised system certifications e.g. ISO 9000, 14000, OHSAS 18000, SA8000 (or other social audits). Please detail (Number and date).</p>	<p><input checked="" type="checkbox"/> Yes  <input type="checkbox"/> No  F1: Please give details: Certificates ISO 9001 No. 007/CZ/Q/2019, valid to 24/03/2022</p>
<p>G: Is there a Human Resources manager/department? If Yes, please detail.</p>	<p><input checked="" type="checkbox"/> Yes  <input type="checkbox"/> No  G1: Please give details: the position is held by Petra Kučerová in a family business.</p>
<p>H: Is there a senior person / manager responsible for implementation of the code</p>	<p><input checked="" type="checkbox"/> Yes  <input type="checkbox"/> No  H1: Please give details: Mrs. Petra Kučerová - Managing Director)</p>
<p>I: Is there a policy to ensure all worker information is confidential?</p>	<p><input checked="" type="checkbox"/> Yes  <input type="checkbox"/> No  I1: Please give details: Data Protection Policy</p>
<p>J: Is there an effective procedure to ensure confidential information is kept confidential?</p>	<p><input checked="" type="checkbox"/> Yes  <input type="checkbox"/> No  J1: Please give details: Data Protection Policy Czech, GDPR Procedure</p>
<p>K: Are risk assessments conducted to evaluate policy and procedure effectiveness?</p>	<p><input checked="" type="checkbox"/> Yes  <input type="checkbox"/> No  K1: Please give details: A procedure Observation and controls to reduce H&amp;S risks</p>
<p>L: Does the facility have a process to address issues found when conducting risk assessments, including implementation of controls to reduce identified risks?</p>	<p><input checked="" type="checkbox"/> Yes  <input type="checkbox"/> No  L1 Please give details: Implementation of Observation and controls to reduce H&amp;S risks</p>
<p>M: Does the facility have a policy/code which require labour standards of its own suppliers?</p>	<p><input checked="" type="checkbox"/> Yes  <input type="checkbox"/> No  M1: Please give details: Suppliers Evaluation procedure</p>
<p><b>Land rights</b></p>	



<p>N: Does the site have all required land rights licenses and permissions (see SMETA Measurement Criteria)?</p>	<p><input checked="" type="checkbox"/> Yes  <input type="checkbox"/> No                  N1: Please give details: Company operates in its own premises. There is a legal land register with detailed data on each land area</p>
<p>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?</p>	<p><input checked="" type="checkbox"/> Yes  <input type="checkbox"/> No                  O1: Please give details: Due to ISO requirements there is a Register of Law requirements</p>
<p>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</p>	<p><input checked="" type="checkbox"/> Yes  <input type="checkbox"/> No                  P1: If yes, how does the company obtain FPIC: In accordance with Czech regulations, the company must obtain permission from the state authority specific to land rights.</p>
<p>Q: Is there evidence that facility / site compensated the owner/lessor for the land prior to the facility being built or expanded.</p>	<p><input checked="" type="checkbox"/> Yes  <input type="checkbox"/> No                  Q1: Please give details: In Czech Republic, all the land are registered in Czech legal land register</p>
<p>R. Does the facility demonstrate that alternatives to a specific land acquisition were considered to avoid or minimize adverse impacts?</p>	<p><input checked="" type="checkbox"/> Yes  <input type="checkbox"/> No                  R1: Please give details: all the land are registered in Czech legal land register</p>
<p>S: Is There any evidence of illegal appropriation of land for facility building or expansion of footprint.</p>	<p><input type="checkbox"/> Yes  <input checked="" type="checkbox"/> No                  S1: Please give details: No evidence noted</p>

<b>Non-compliance: Nothing to report</b>	
<p><b>1. Description of non-compliance:</b>  <input type="checkbox"/> NC against ETI/Additional Elements      <input type="checkbox"/> NC against Local Law  <input type="checkbox"/> NC against customer code:</p> <p><b>Local law and/or ETI requirement:</b></p> <p><b>Recommended corrective action:</b></p> <p><b>2. Description of non-compliance:</b>  <input type="checkbox"/> NC against ETI/Additional Elements      <input type="checkbox"/> NC against Local Law  <input type="checkbox"/> NC against customer code:</p>	<p><b>Objective evidence observed:</b>                  (where relevant please add photo numbers)</p>

<p><b>Local law and/or ETI requirement:</b></p> <p><b>Recommended corrective action:</b></p>	
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Observation: Nothing to report	
<p><b>Description of observation:</b></p> <p><b>Local law or ETI requirement:</b></p> <p><b>Comments:</b></p>	<p><b>Objective evidence observed:</b></p>

Good Examples observed: Nothing to report	
<p><b>Description of Good Example (GE):</b></p>	<p><b>Objective evidence observed:</b></p>

**1: Freely Chosen Employment**

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

**ETI**

1.1 There is no forced, bonded or involuntary prison labour.

1.2 Workers are not required to lodge "deposits" or their identity papers with their employer and are free to leave their employer after reasonable notice.

**Current Systems and Evidence Examined**

To complete 'current systems' Auditors examine policies and written procedures in conjunction with relevant managers, to understand, and record what controls and processes are currently in place e.g. record what policies are in place, what relevant procedures are carried out, who is/are responsible for the management of this item of the code. Evidence checked should detail any documentary or verbal evidence shown to support the systems.

**Current systems:**

According to the Czech Law requirement the facility has a policy which prohibits forced labour and this was available for review.

New workers must present their original ID's for proof of age, only copies are kept in the personnel files.

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

**Details:**

Employee files, Labour Contracts, Training records, Attendance records, Payrolls, Health Examination records

Interviews with workers, Worker representative interview.

No prisoners found. Company workers feel free to leave their employer after reasonable notice.

Any other comments: N/A

<p>A: Is there any evidence of retention of original documents, e.g. passports/ID's</p>	<p><input type="checkbox"/> Yes  <input checked="" type="checkbox"/> No                  A1: If yes, please give details and category of workers affected:</p>
<p>B: Is there any evidence of a loan scheme in operation</p>	<p><input type="checkbox"/> Yes  <input checked="" type="checkbox"/> No                  B1: If yes, please give details and category of worker affected:</p>
<p>C: Is there any evidence of retention of wages /deposits</p>	<p><input type="checkbox"/> Yes  <input checked="" type="checkbox"/> No                  C1: If yes, please give details and category of worker affected:</p>
<p>D: Are there any restrictions on workers' freedom to terminate employment?</p>	<p><input type="checkbox"/> Yes  <input checked="" type="checkbox"/> No                  D1: Please describe finding: No restriction noted</p>
<p>E: If any part of the business is UK based or registered there &amp; has a</p>	<p><input type="checkbox"/> Yes  <input checked="" type="checkbox"/> No</p>

turnover over £36m, is there a published a 'modern day slavery statement'?	A1: If yes, please give details and category of workers affected:
F: Is there evidence of any restrictions on workers' freedoms to leave the site at the end of the work day?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No B1: If yes, please give details and category of worker affected:
G: Does the site understand the risks of forced / trafficked / bonded labour in its supply chain	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No C1: If yes, please give details and category of worker affected:
H: Is the site taking any steps taking to reduce the risk of forced / trafficked labour?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No D1: Please describe finding: No restriction noted

<b>Non-compliance: Nothing to report</b>	
<p><b>1. Description of non-compliance:</b>  <input type="checkbox"/> NC against ETI    <input type="checkbox"/> NC against Local Law:    <input type="checkbox"/> NC against customer code:</p> <p><b>Local law and/or ETI requirement</b></p> <p><b>Recommended corrective action:</b></p> <p><b>2. Description of non-compliance:</b>  <input type="checkbox"/> NC against ETI    <input type="checkbox"/> NC against Local Law:    <input type="checkbox"/> NC against customer code:</p> <p><b>Local law and/or ETI requirement:</b></p> <p><b>Recommended corrective action:</b></p>	<p><b>Objective evidence observed:</b>                      (where relevant please add photo numbers)</p>

<b>Observation: Nothing to report</b>
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<p><b>Description of observation:</b></p> <p><b>Local law or ETI requirement:</b></p> <p><b>Comments:</b></p>	<p><b>Objective evidence observed:</b></p>
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<p><b>Good Examples observed: Nothing to report</b></p>	
<p><b>Description of Good Example (GE):</b></p>	<p><b>Objective evidence observed:</b></p>

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

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

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

**ETI**

- 2.1 Workers, without distinction, have the right to join or form trade unions of their own choosing and to bargain collectively.
- 2.2 The employer adopts an open attitude towards the activities of trade unions and their organisational activities.
- 2.3 Workers' representatives are not discriminated against and have access to carry out their representative functions in the workplace.
- 2.4 Where the right to freedom of association and collective bargaining is restricted under law, the employer facilitates, and does not hinder, the development of parallel means for independent and free association and bargaining.

**Current Systems and Evidence Examined**

*To complete 'current systems' Auditors examine policies and written procedures in conjunction with relevant managers, to understand, and record what controls and processes are currently in place e.g. record what policies are in place, what relevant procedures are carried out, who is/are responsible for the management of this item of the code. Evidence checked should detail any documentary or verbal evidence shown to support the systems.*

**Current systems:**

No Trade Union organisation operates in the company. One Worker representant present.

Interviewee confirmed that employees were not prevented to join any TU organisation. The site engages in meaningful dialogue with the workforce and bargaining with workers. Meetings happen regularly and effectively address workers' concerns.

Workers can raise their demands to management, whether individually or collectively and are being heard and listened to.

Workers are aware of the meetings and understand what is being discussed.

Worker Representant is not discriminated against and has access to carry out his representative functions in the workplace.

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

Details: Interview with workers and Worker Representant (Zdeněk Votava - production master).

Any other comments: N/A

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

C: Is it a legal requirement to have a worker's committee?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	
D: Is there any other form of effective worker/management communication channel? (Other than union/worker committee e.g. H&S, sexual harassment)	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No D1: Please give details: Confidential boxes  D2: Is there evidence of free elections? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	
E: Does the supplier provide adequate facilities to allow the Union or committee to conduct related business?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No E1: Please give details: Office place and time for meetings	
F: Name of union and union representative, if applicable:	No TU established	F1: Is there evidence of free elections? <input type="checkbox"/> Yes <input type="checkbox"/> No <input checked="" type="checkbox"/> N/A
G: If there is no union, is there a parallel means of consultation with workers e.g. worker committees?	Workers' Representant	G1: Is there evidence of free elections? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A
H: Are all workers aware of who their representatives are?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	
I: Were worker representatives freely elected?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	I1: Date of last election: 11/2019
J: Do workers know what topics can be raised with their representatives?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	
K: Were worker representatives/union representatives interviewed?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No If <b>Yes</b> , please state how many: one	
L: Please describe any evidence that union/worker's committee is effective? Specify date of last meeting; topics covered; how minutes were communicated etc.	Record of December 2021 meeting: COVID 19 impacts	
M: Are any workers covered by Collective Bargaining Agreement (CBA)?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	
If <b>Yes</b> , what percentage by trade Union/worker representation	M1: <u>  0  </u> % workers covered by Union CBA	M2: <u> 100 </u> % workers covered by worker rep CBA
M3: If <b>Yes</b> , does the Collective Bargaining Agreement (CBA) include rates of pay?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	



<b>Non-compliance: Nothing to report</b>	
<p><b>1. Description of non-compliance:</b>  <input type="checkbox"/> NC against ETI    <input type="checkbox"/> NC against Local Law    <input type="checkbox"/> NC against customer code:</p> <p><b>Local law and/or ETI requirement:</b></p> <p><b>Recommended corrective action:</b></p> <p><b>2. Description of non-compliance:</b>  <input type="checkbox"/> NC against ETI    <input type="checkbox"/> NC against Local Law    <input type="checkbox"/> NC against customer code:</p> <p><b>Local law and/or ETI requirement:</b></p> <p><b>Recommended corrective action:</b></p>	<p><b>Objective evidence observed:</b>  <i>(where relevant please add photo numbers)</i></p>

<b>Observation: Nothing to report</b>	
<p><b>Description of observation:</b></p> <p><b>Local law or ETI requirement:</b></p> <p><b>Comments:</b></p>	<p><b>Objective evidence observed:</b></p>

<b>Good Examples observed: Nothing to report</b>	
<p>Description of Good Example (GE):</p>	<p><b>Objective evidence observed:</b></p>

### 3: Working Conditions are Safe and Hygienic

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

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

#### ETI

- 3.1 A safe and hygienic working environment shall be provided, bearing in mind the prevailing knowledge of the industry and of any specific hazards. Adequate steps shall be taken to prevent accidents and injury to health arising out of, associated with, or occurring in the course of work, by minimising, so far as is reasonably practicable, the causes of hazards inherent in the working environment.
- 3.2 Workers shall receive regular and recorded Health & Safety training, and such training shall be repeated for new or reassigned workers.
- 3.3 Access to clean toilet facilities and to potable water, and, if appropriate, sanitary facilities for food storage shall be provided.
- 3.4 Accommodation, where provided, shall be clean, safe, and meet the basic needs of the workers.
- 3.5 The company observing the code shall assign responsibility for Health & Safety to a senior management representative.

#### Current Systems and Evidence Examined

*To complete 'current systems' Auditors examine policies and written procedures in conjunction with relevant managers, to understand, and record what controls and processes are currently in place e.g. record what policies are in place, what relevant procedures are carried out, who is/are responsible for the management of this item of the code. Evidence checked should detail any documentary or verbal evidence shown to support the systems.*

#### Current systems:

Safe and hygienic working environment is provided.  
 The company assigned responsibility for Health & Safety to a H&S Committee, that takes care for safety and fire protection.  
 The site has an agreement with local health authority to provide health work conditions.  
 Sufficient clean toilets segregated by gender were available at all times.  
 Workers have access to the bathrooms, and rest rooms too.  
 Potable water is continuously provided for all staff and workers.  
 Work environment is monitored according to legal requirements and local health authority permits.  
 The risk assessment for each position was established, employees are informed about the risks identified – this was confirmed during interviews.  
 First-aid boxes with first aid instructions are available.  
 Small injuries were registered in Book of injures.  
 No doctor or nurse stay there permanently, five trained first aiders - present at each shift  
 Chemicals are properly stored, have relevant material safety data sheets (MSDS) and adequate eye wash / shower station if required.  
 Workers are trained on how to handle chemicals safely and undergo the required health checks. Legally required licences are valid.  
 Ventilation, light, temperature, noise, dust and sound levels are appropriate.  
 The auditor reviewed the following documentation and records: Health & Safety Policy, H&S Procedure, training on H&S Policy, PPE awareness, first aid training and list of first aiders, appropriate PPE worn by the employees, electrician certificate, revision records and building safety.  
 Everything mentioned was find perfect.  
 The facility has evacuation plan, which indicated escape routes and are posted at each area.  
  
 Evacuation routes and exits are marked, signed and lighted.  
 Fire protection equipment is available on site, including maintained fire alarm system.  
  
 All fire protection equipment was controlled and serviced by external authorized company.  
 Evacuation drills are performed; the last fire drill, which covered all shifts, took place on 12.12.2021.

Building structure and electrical installations appeared to be safe and properly maintained. Machines are monitored and regularly checked and maintenance  
 The last large construction of garage took place in 2019. Building approval of the biomass boiler room issued by the Construction Department of the City of Prachatice No. 330-243 / 2826 / 04-2 of 22/1/2016, valid until the change of use of the building.

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

Details:

Site Tour; Interviewees inform H&S conditions are good; regular health, safety and fire protection trainings are provided. Employees are outfitted with appropriate PPE according to risk identified; access to the PPE is not limited. Factory keeps documents for accidents at work and small injuries.

Any other comments: there is a strong system in place to ensure that found inconsistencies do not happen again.

<p>A: Does the facility have general and occupational Health &amp; Safety policies and procedures that are fit for purpose and are these communicated to workers?</p>	<p><input checked="" type="checkbox"/> Yes  <input type="checkbox"/> No                  A1: Please give details: H&amp;S Policy valid from 2.6.2020</p>
<p>B: Are the policies included in workers' manuals?</p>	<p><input checked="" type="checkbox"/> Yes  <input type="checkbox"/> No                  B1: Please give details: The Manual for initial and repeated training</p>
<p>C: Are there any structural additions without required permits/inspections (e.g. floors added)?</p>	<p><input type="checkbox"/> Yes  <input checked="" type="checkbox"/> No                  C1: Please give details: Proper permits submitted</p>
<p>D: Are visitors to the site informed on H&amp;S and provided with personal protective equipment</p>	<p><input checked="" type="checkbox"/> Yes  <input type="checkbox"/> No                  D1: Please give details: Rules for visitors posted: visitors are equipped with protective equipment</p>
<p>E: Is a medical room or medical facility provided for workers?                   If yes, do the room(s) meet legal requirements and is the size/number of rooms suitable for the number of workers.</p>	<p><input type="checkbox"/> Yes  <input checked="" type="checkbox"/> No                  E1: Please give details: it is not a legal obligation</p>
<p>F: Is there a doctor or nurse on site or there is easy access to first aider/trained medical aid?</p>	<p><input checked="" type="checkbox"/> Yes  <input type="checkbox"/> No                  F1: Please give details: No doctor or nurse stay there permanently, five trained first aiders - present at each shift</p>
<p>G: Where the facility provides worker transport - is it fit for purpose, safe,</p>	<p><input checked="" type="checkbox"/> Yes  <input type="checkbox"/> No</p>

maintained and operated by competent persons e.g. buses and other vehicles?	G1: Please give details: free of charge transport by company cars provided
H: Is secure personal storage space provided for workers in their living space and is fit for purpose?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No H1: Please give details: Company does not provide accommodation
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?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No A1: Please give details: The Manual for initial and repeated training
J: Is the site meeting its legal obligations on environmental requirements including required permits for use and disposal of natural resources?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No B1: Please give details: ISO 9001 requirements implemented
K: Is the site meeting its customer requirements on environmental standards, including the use of banned chemicals?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No C1: Please give details: According to Czech law requirements

**Non-compliance: Nothing to report**

<p><b>1. Description of non-compliance:</b>  <input type="checkbox"/> NC against ETI    <input type="checkbox"/> NC against Local Law    <input type="checkbox"/> NC against customer code:</p> <p><b>Local law and/or ETI requirement</b></p> <p><b>Recommended corrective action:</b></p>	<p><b>Objective evidence observed:</b>  <i>(where relevant please add photo numbers)</i></p>
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**Observation: 5**

<p><b>1. Description of observation:</b>  Blocked access to emergency exit in handmade pallet production hall. It is not a noncompliance, because it was corrected immediately.</p> <p><b>Local law or ETI requirement:</b>  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.</p> <p><b>Recommended corrective action:</b>  Provide permanent access.</p> <p><b>2. Description of observation:</b>  Fire hydrant barred by bags in the lower hall. It is not a noncompliance, because it was corrected immediately.</p> <p><b>Local law or ETI requirement:</b>  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.</p>	<p><b>Objective evidence observed:</b>  There is a strong system in place to ensure that the inconsistency does not happen again.</p> <p>There is a strong system in place to ensure that the inconsistency does not happen again.</p>
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<p><b>Recommended corrective action:</b> Provide permanent access.</p> <p><b>3. Description of observation:</b> Rack for instruments used without load designation in the garage. It is not a noncompliance, because it was corrected immediately.</p> <p><b>Local law or ETI requirement:</b> 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.</p> <p><b>Recommended corrective action:</b> Provide permanent designation.</p> <p><b>4. Description of observation:</b> The clutter found in the trolley charging area in the middle hall. It is not a noncompliance, because it was corrected immediately.</p> <p><b>Local law or ETI requirement:</b> 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.</p> <p><b>Recommended corrective action:</b> Provide permanent order and cleaning.</p> <p><b>5. Description of observation:</b> It was not clear whether records of ladder inspections were kept. It is not a noncompliance, because it was corrected immediately.</p> <p><b>Local law or ETI requirement:</b> 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.</p> <p><b>Recommended corrective action:</b> Ensure constant traceability of records.</p>	<p>There is a strong system in place to ensure that the inconsistency does not happen again.</p> <p>There is a strong system in place to ensure that the inconsistency does not happen again.</p> <p>There is a strong system in place to ensure that the inconsistency does not happen again.</p>
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Good Examples observed: Nothing to report	
Description of Good Example (GE):	Objective Evidence Observed:

**4: Child Labour Shall Not Be Used**

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

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

**ETI**

- 4.1 There shall be no new recruitment of child labour.
- 4.2 Companies shall develop or participate in and contribute to policies and programmes which provide for the transition of any child found to be performing child labour to enable her or him to attend and remain in quality education until no longer a child.
- 4.3 Children and young persons under 18 shall not be employed at night or in hazardous conditions.
- 4.4 These policies and procedures shall conform to the provisions of the relevant ILO Standards.

**Current Systems and Evidence Examined**

*To complete 'current systems' Auditors examine policies and written procedures in conjunction with relevant managers, to understand, and record what controls and processes are currently in place e.g. record what policies are in place, what relevant procedures are carried out, who is/are responsible for the management of this item of the code. Evidence checked should detail any documentary or verbal evidence shown to support the systems.*

**Current systems:**

Check of new workers files showed that the youngest worker present was age 20 years.  
 Company meets law regulation according to a prohibition not to employ young person fewer than 18 shall at night or in hazardous conditions.  
 Company participates to policy 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.

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

Details:  
 A procedure for checking ages of workers at application stage.  
 The youngest worker is 19 years old (born on 25.4.2002)  
 Employees 'files,  
 No indication of child labour.

Any other comments: N/A

A: Legal age of employment:	15
B: Age of youngest worker found:	A man 19 years old - born on 25.4.2002
C: Are there children present on the work floor but not working at the time of audit?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
D: % of under 18's at this site (of total workers)	0 %
E: Are workers under 18 subject to hazardous work assignments? <a href="#">(Go to clause 3 – Health and Safety)</a>	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No

	E1: If yes, give details: The company does not employ young person fewer than 18
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Non-compliance: Nothing to report	
<p><b>1. Description of non-compliance:</b>  <input type="checkbox"/> NC against ETI      <input type="checkbox"/> NC against Local Law      <input type="checkbox"/> NC against customer code:</p> <p><b>Local law and/or ETI requirement:</b></p> <p><b>Recommended corrective action:</b></p> <p><b>2. Description of non-compliance:</b>  <input type="checkbox"/> NC against ETI      <input type="checkbox"/> NC against Local Law      <input type="checkbox"/> NC against customer code:</p> <p><b>Local law and/or ETI requirement:</b></p> <p><b>Recommended corrective action:</b></p>	<p><b>Objective evidence observed:</b>  <i>(where relevant please add photo numbers)</i></p>

Observation: Nothing to report	
<p><b>Description of observation:</b></p> <p><b>Local law or ETI requirement:</b></p> <p><b>Comments:</b></p>	<p><b>Objective evidence observed:</b></p>

Good Examples observed: Nothing to report	
<p><b>Description of Good Example (GE):</b></p>	<p><b>Objective Evidence Observed:</b></p>



**5: Living Wages are Paid**

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

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

**ETI**

5.1 Wages and benefits paid for a standard working week meet, at a minimum, national legal standards or industry benchmark standards, whichever is higher. In any event wages should always be enough to meet basic needs and to provide some discretionary income.

5.2 All workers shall be provided with written and understandable information about their employment conditions in respect to wages before they enter employment and about the particulars of their wages for the pay period concerned each time that they are paid.

5.3 Deductions from wages as a disciplinary measure shall not be permitted nor shall any deductions from wages not provided for by national law be permitted without the expressed permission of the worker concerned. All disciplinary measures should be recorded.

**Current Systems and Evidence Examined**

*To complete 'current systems' Auditors examine policies and written procedures in conjunction with relevant managers, to understand, and record what controls and processes are currently in place e.g. record what policies are in place, what relevant procedures are carried out, who is/are responsible for the management of this item of the code. Evidence checked should detail any documentary or verbal evidence shown to support the systems.*

**Current systems:**

All workers are provided with written and understandable contract including information about their employment conditions in respect to wages before they enter employment.

The site understands and regularly reviews the current legislation related to wages payment and ensures this is applied at all levels.

The site has an adequate management system to ensure that wages are paid on time accurately and according to legislation for all types of workers.

This includes a transparent and trusted payment system.

The site has an adequate management system to record wages accurately and in a timely manner.

This includes any related overtime premium, statutory benefits, leave, legal deductions and final settlement.

The site has an adequate system to ensure legal deposits are returned in a timely manner and that loans are lent fairly to workers.

Overtime payment is in line with local law, industry best practices and ETI Base Code.

Deductions from wages as a disciplinary measure are not permitted; no deductions from wages were provided.

All disciplinary measures were recorded. No evidence of non-conformity to the Czech Law regulations was found.

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

Details:

Workers' Labour Contracts,

Payrolls:

10 samples from February 2021 (normal season)

10 samples from June 2021 (normal season)

10 samples from December 2021 (most recent month)

**Non-compliance: Nothing to report**

<p><b>1. Description of non-compliance:</b>  <input type="checkbox"/> NC against ETI      <input type="checkbox"/> NC against Local Law      <input type="checkbox"/> NC against customer code:</p> <p><b>Local law and/or ETI requirement:</b></p> <p><b>Recommended corrective action:</b></p> <p><b>2. Description of non-compliance:</b>  <input type="checkbox"/> NC against ETI      <input type="checkbox"/> NC against Local Law      <input type="checkbox"/> NC against customer code:</p> <p><b>Local law and/or ETI requirement:</b></p> <p><b>Recommended corrective action:</b></p>	<p><b>Objective evidence observed:</b>  <i>(where relevant please add photo numbers)</i></p>
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<b>Observation:</b> Nothing to report	
<p><b>Description of observation:</b></p> <p><b>Local law or ETI requirement:</b></p> <p><b>Comments:</b></p>	<p><b>Objective evidence observed:</b></p>

<b>Good Examples observed:</b>	
<p><b>Description of Good Example (GE):</b></p> <p>Special benefits for employees: transport of employees to work free of charge, supplementary charge for meal tickets, the company's contribution to the employee's supplementary pension insurance</p>	<p><b>Objective Evidence Observed:</b></p> <p>During Workers Interviews and Pay rolls control noted</p>

**Summary Information**

Criteria	Local Law <i>(Please state legal requirement)</i>	Actual at the Site <i>(Record site results against the law)</i>	Is this part of a Collective Bargaining Agreement?
A: Standard/Contracted work hours: <i>(Maximum legal and actual required working hours excluding overtime, please state if possible per day, week, and month)</i>	Legal maximum: 40 hours per week	A1: 40 hours per week	A2: <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No

B: Overtime hours: (Maximum legal and actual overtime hours, please state if possible per day, week, and month)	Legal maximum: 4 hrs per day 8 hours per week & 416 per year	B1: 2 hrs per week 8 hrs per week	B2: <input type="checkbox"/> Yes <input checked="" type="checkbox"/> 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: for year 2020: 14.660 CZK/ month; or 87,30 CZK/hour for year 2021: 15.200 CZK/ month; or 90,50 CZK/hour	C1: min 17 450 CZK/ month or 120 CZK /hour	C2: <input type="checkbox"/> Yes <input checked="" type="checkbox"/> 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: Weekdays +25% Rest days +25% Holidays +100%	D1: Weekdays +25 % Rest days +25% Holidays +100%	D2: <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No

<b>Wages analysis:</b> <a href="#">(Click here to return to Key Information)</a>		
A: Were accurate records shown at the first request?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	
A1: If <b>No</b> , 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)	10 samples from February 2021 (normal season) 10 samples from June 2021 (normal season) 10 samples from December 2021 (most recent month)	
C: Are there different legal minimum wage grades? If <b>Yes</b> , please specify all.	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	C1: If <b>Yes</b> , please give details: N/A
D: If there are different legal minimum grades, are all workers graded and paid correctly?	<input type="checkbox"/> Yes <input type="checkbox"/> No <input checked="" type="checkbox"/> N/A	D1: If <b>No</b> , please give details: N/A
E: For the lowest paid production workers, are wages paid for standard/contracted hours (excluding overtime) below or above the legal minimum?	<input type="checkbox"/> Below legal min <input type="checkbox"/> Meet <input checked="" type="checkbox"/> Above	E1: Lowest actual wages found: <i>Note: full time employees and please state hour / week / month etc.</i>  17 450 CZK per month

<p>F: Please indicate the breakdown of workforce per earnings:</p>	<p>F1: ___% of workforce earning under minimum wage                  F2: ___% of workforce earning minimum wage                  F3: _100___% of workforce earning above minimum wage</p>		
<p>G: Bonus Scheme found: Please specify details:</p>	<p>Bonus Scheme found:                  Note: type of employee (e.g. full time, temp, etc.) and please state which units e.g. /hour /week /month etc.                  Fix Base Payment+ floating rate + payment bonuses                  Bonus payments in monthly and quarterly terms are paid in accordance with the contract provisions.</p>		
<p>H: What deductions are required by law e.g. social insurance? Please state all types:</p>	<p>social insurance                  health insurance                  income tax</p>		
<p>I: Have these deductions been made?</p>	<p><input checked="" type="checkbox"/> Yes  <input type="checkbox"/> No</p>	<p>I1: Please list all deductions that <b>have</b> been made.</p>	<p>1. social insurance                  2. health insurance                  3. income tax                  Please describe: N/A</p>
		<p>I2: Please list all deductions that <b>have not</b> been made.</p>	<p>1. Nothing to report                  2.                  Please describe: N/A</p>
<p>J: Were appropriate records available to verify hours of work and wages?</p>	<p><input checked="" type="checkbox"/> Yes  <input type="checkbox"/> No</p>		
<p>K: Were any inconsistencies found? (if yes describe nature)</p>	<p><input type="checkbox"/> Yes  <input checked="" type="checkbox"/> No</p>	<p>K1: Type  <input type="checkbox"/> Poor record keeping  <input type="checkbox"/> Isolated incident  <input type="checkbox"/> Repeated occurrence:</p>	
<p>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)</p>	<p><input checked="" type="checkbox"/> Yes  <input type="checkbox"/> No                  L1: Please give details: Employees do not have to attend any pre-shift or post-shift meetings. Mandatory testing and Covid-19 take place during work hours.</p>		
<p>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></p>	<p><input checked="" type="checkbox"/> Yes  <input type="checkbox"/> No                  M1: Please specify amount/time:                  1) Single person = 3 410 CZK per month.                  2) two adults in family = 5 970 CZK per month                  3) two adults with one child under 5 year = 7 710 CZK per month</p>		
<p>M2: If yes, what was the calculation method used.</p>	<p><input type="checkbox"/> ISEAL/Anker Benchmarks  <input type="checkbox"/> Asia Floor Wage  <input type="checkbox"/> Figures provided by Unions  <input type="checkbox"/> Living Wage Foundation UK  <input type="checkbox"/> Fair Wear Wage Ladder</p>		

	<input type="checkbox"/> Fairtrade Foundation Other – please give details:
N: Are there periodic reviews of wages? If Yes give details (include whether there is consideration to basic needs of workers plus discretionary income).	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No N1: Please give details: Regular State Office financial management review, last September 2019
O: Are workers paid in a timely manner in line with local law?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
P: Is there evidence that equal rates are being paid for equal work:	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No P1: Please give details: Each employee has a written Payment Order. In the sample examined, all were remunerated in accordance with his/her payment order
Q: How are workers paid:	<input type="checkbox"/> Cash <input type="checkbox"/> Cheque <input checked="" type="checkbox"/> Bank Transfer <input type="checkbox"/> Other Q1: If other, please explain: N/A

**6: Working Hours are not Excessive**

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

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

**ETI**

6.1 Working hours must comply with national laws, collective agreements, and the provisions of 6.2 to 6.6 below, whichever affords the greater protection for workers. Sub-clauses 6.2 to 6.6 are based on international labour standards.

6.2 Working hours, excluding overtime, shall be defined by contract, and shall not exceed 48 hours per week.

6.3 All overtime shall be voluntary. Overtime shall be used responsibly, taking into account all the following: the extent, frequency and hours worked by individual workers and the workforce as a whole. It shall not be used to replace regular employment. Overtime shall always be compensated at a premium rate, which is recommended to be not less than 125% of the regular rate of pay.

6.4 The total hours worked in any 7-day period shall not exceed 60 hours, except where covered by clause 6.5 below.

6.5 Working hours may exceed 60 hours in any 7-day period only in exceptional circumstances where **all** of the following are met:

- this is allowed by national law;
- this is allowed by a collective agreement freely negotiated with a workers' organisation representing a significant portion of the workforce;
- appropriate safeguards are taken to protect the workers' health and safety; and
- The employer can demonstrate that exceptional circumstances apply such as unexpected production peaks, accidents or emergencies.

6.6 Workers shall be provided with at least one day off in every 7-day period or, where allowed by national law, 2 days off in every 14-day period.

**Current Systems and Evidence Examined**

To complete 'current systems' Auditors examine policies and written procedures in conjunction with relevant managers, to understand, and record what controls and processes are currently in place e.g. record what policies are in place, what relevant procedures are carried out, who is/are responsible for the management of this item of the code. Evidence checked should detail any documentary or verbal evidence shown to support the systems.

**Current systems:**

Samples wage check confirmed a compliance with legislation.

Working hours, excluding overtime, are defined by contracts, and didn't exceed 48 hours per week.

Working time is 40 hours per week.

The shift in production starts at 6:25 and ends at 14:55, two-shift operation at 15:00 to 23:30. The shift in administration starts at 8:00 and end at 16:00.

Statutory breaks are observed.

Through employees' interview, overtime is voluntary and is always compensated at a premium rate.

Local requirements are stricter than ETI: 40 standard hours + 8 OT hours = 48 total hours per week.

The total hours worked in any 7-day period does not exceed 60 hours.

Attendance work time is documented in electronic attendance system.

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

Details:

10 samples from February 2021 (normal season)  
 10 samples from June 2021 (normal season)  
 10 samples from December 2021 (most recent month)

Any other comments: N/A

Non-compliance: Nothing to report	
<p><b>1. Description of non-compliance:</b>  <input type="checkbox"/> NC against ETI      <input type="checkbox"/> NC against Local Law      <input type="checkbox"/> NC against customer code:</p> <p><b>Local law and/or ETI requirement:</b></p> <p><b>Recommended corrective action:</b></p>	<p><b>Objective evidence observed:</b>  <i>(where relevant please add photo numbers)</i></p>

Observation: Nothing to report	
<p><b>Description of observation:</b></p> <p><b>Local law or ETI requirement:</b></p> <p><b>Comments:</b></p>	<p><b>Objective evidence observed:</b></p>

Good Examples observed: Nothing to report	
<p><b>Description of Good Example (GE):</b></p>	<p><b>Objective Evidence Observed:</b></p>

<b>Working hours' analysis</b> Please include time e.g. hour/week/month ( <a href="#">Go back to Key information</a> )					
<b>Systems &amp; Processes</b>					
A. What timekeeping systems are used: time card etc.	Describe: electronic attendance system RON SOFTWARE.				
B: Is sample size same as in wages section?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No B1: If no, please give details N/A				
C: Are standard/contracted working hours defined in <b>all</b> contracts/employment agreements?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> 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: N/A			
D: Are there any other types of contracts/employment agreements used?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	D1: If YES, please complete as appropriate:			
		<input type="checkbox"/> 0 hrs	<input type="checkbox"/> Part time	<input type="checkbox"/> 0 hrs	<input type="checkbox"/> Other
		If "Other", Please define:			
		N/A			
E. Do any standard/contracted working hours defined in contracts/employment agreements exceed 48 hours per week?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	E1: If <b>yes</b> , 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: <input checked="" type="checkbox"/> 1 in 7 days <input type="checkbox"/> 2 in 14 days <input type="checkbox"/> No If 'No', please explain:	F3: Is this allowed by local law? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No			
		Maximum number of days worked without a day off (in sample):			
		6			



Standard/Contracted Hours worked		
G: Were standard working hours over 48 hours per week found?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> 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?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> 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: February 2021: 0 hour per day, 4 hours per week, 12 OT hours per month June 2021: 2 hour per day, 4 hours per week, 15 OT hours per month December 2021: 2 hour per day, 8 hours per week, 14 OT hours per month	
J: Combined hours (standard or contracted + overtime hours = total) over 60 found? Please give details:	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	
K: Approximate percentage of total workers on highest overtime hours:	___25___%	
L: Is overtime voluntary?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> Conflicting Information	L1: Please detail evidence e.g. Wording of contract / employment agreement / handbook / worker interviews / refusal arrangements: Overtime is voluntary, which is documented in employees' contracts
Overtime Premiums		
M: Are the correct legal overtime premiums paid?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A – there is no legal requirement to OT premium	M1: Please give details of normal day overtime premium as a % of <b>standard</b> wages: Weekdays +25% Rest days +25% Holidays +100%
N: Is overtime paid at a premium?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	N1: If yes, please describe % of workers & frequency: 100 % monthly

<p>O: If the site pays less than 125% OT premium and this is allowed under local law, are there other considerations? Please complete the boxes where relevant.</p>	<p> <input type="checkbox"/> No  <input type="checkbox"/> Consolidated pay (May be standard wages above minimum legal wage, with no/low overtime premium)  <input type="checkbox"/> Collective Bargaining agreements  <input type="checkbox"/> Other         </p> <p>O1: Please explain any checked boxes above e.g. detail of consolidated pay / CBA or Other</p> <p>The company pays +25 % OT premium</p>
<p>P: If more than 60 total hours per week and this is legally allowed, are there other considerations? Please complete the boxes where relevant.</p>	<p> <input type="checkbox"/> <b>Overtime is voluntary</b>  <input type="checkbox"/> Onsite Collective bargaining allows 60+ hours/week  <input type="checkbox"/> Safeguards are in place to protect worker's health and safety  <input type="checkbox"/> Site can demonstrate exceptional circumstances  <input type="checkbox"/> Other reasons (please specify)         </p> <p>P1: Please explain any checked boxes above e.g. detail of consolidated pay / CBA or other:</p> <p>No occurrence noted</p>
<p>Q: Is there evidence that overtime hours are being used for extended periods to make up for labour shortages or increased order volumes?</p>	<p> <input type="checkbox"/> Yes  <input checked="" type="checkbox"/> No            Q1: If yes, please give details: N/A         </p>
<p>R: If sufficient workers cannot be hired, are new working time arrangements explored to ensure that overtime is the exception rather than the rule.</p>	<p> <input checked="" type="checkbox"/> Yes  <input type="checkbox"/> No         </p>

**7: No Discrimination is Practiced**

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

**ETI**

7.1 There is no discrimination in hiring, compensation, access to training, promotion, termination or retirement based on race, caste, national origin, religion, age, disability, gender, marital status, sexual orientation, union membership or political affiliation.

**Current Systems and Evidence Examined**

*To complete 'current systems' Auditors examine policies and written procedures in conjunction with relevant managers, to understand, and record what controls and processes are currently in place e.g. record what policies are in place, what relevant procedures are carried out, who is/are responsible for the management of this item of the code. Evidence checked should detail any documentary or verbal evidence shown to support the systems.*

**Current systems:**

All interviewed workers were aware of the grievance possibility.  
 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 noted during interviews.  
 No evidence of sexual harassment noted.

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

Details:

- Interviews with workers and their representant
- Payrolls
- Attendance records
- Termination records
- Training records

Any other comments: N/A

<p>A: Gender breakdown of Management + Supervisors (Include as one combined group)</p>	<p>A1: Male: <u>75</u> %                  A2: Female <u>25</u> %</p>
<p>B: Number of women who are in skilled or technical roles e.g. where specific qualifications are needed i.e. machine engineer / laboratory analyst:</p>	<p>6 quality controllers</p>
<p>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?:</p>	<p> <input type="checkbox"/> Hiring  <input type="checkbox"/> Compensation  <input type="checkbox"/> Access to training  <input type="checkbox"/> Promotion  <input type="checkbox"/> Termination or retirement  <input checked="" type="checkbox"/> No evidence of discrimination found                  C1: Please give details: No evidence             </p>

**Professional Development**

A: What type of training and development are available for workers?	Workers are trained regularly: Job related skills Health and Safety Environmental Impacts Ethical Code
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B: Are HR decisions e.g. promotion, training, compensation based on objective, transparent criteria?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No  If no, please give details:
--	---

**Non-compliance: Nothing to report**

<p><b>1. Description of non-compliance:</b>  <input type="checkbox"/> NC against ETI      <input type="checkbox"/> NC against Local Law      <input type="checkbox"/> NC against customer code:</p> <p><b>Local law and/or ETI requirement:</b></p> <p><b>Recommended corrective action:</b></p>	<p><b>Objective evidence observed:</b>                  (where relevant please add photo numbers)</p>
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**Observation: Nothing to report**

<p><b>Description of observation:</b></p> <p><b>Local law or ETI requirement:</b></p> <p><b>Comments:</b></p>	<p><b>Objective evidence observed:</b></p>
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**Good Examples observed: Nothing to report**

<p>Description of Good Example (GE):</p>	<p><b>Objective Evidence Observed:</b></p>
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**8: Regular Employment Is Provided**

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

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

**ETI**

8.1 To every extent possible work performed must be on the basis of recognised employment relationship established through national law and practice.

8.2 Obligations to employees under labour or social security laws and regulations arising from the regular employment relationship shall not be avoided through the use of labour-only contracting, sub-contracting, or home-working arrangements, or through apprenticeship schemes where there is no real intent to impart skills or provide regular employment, nor shall any such obligations be avoided through the excessive use of fixed-term contracts of employment.

**Additional Elements: Responsible Recruitment**

8.3 Suppliers have full understanding of the entire recruitment process and assess all labour recruiters and intermediaries against legal and/or ethical requirements.

8.4 There are effective management systems in place to identify and monitor the hiring and management of all migrant workers, contract workers, agency workers, temporary or casual labour. The supplier shall implement processes to enable adequate control over agencies with regards the above points and related legislation.

8.5 Employment agencies must only supply workers registered with them.

8.6 Workers pay no recruitment fee at any stage of the recruitment process.

8.7 Worker contracts accurately reflect the agreed payment and terms in the recruitment process and are understood and signed by workers.

**Current Systems and Evidence Examined**

*To complete 'current systems' Auditors examine policies and written procedures in conjunction with relevant managers, to understand, and record what controls and processes are currently in place e.g. record what policies are in place, what relevant procedures are carried out, who is/are responsible for the management of this item of the code. Evidence checked should detail any documentary or verbal evidence shown to support the systems.*

**Current systems:**

There is effective management system in place to identify and monitor the hiring and management of workers.

Worker contracts accurately reflect the agreed payment and terms in the recruitment process and are understood and signed by workers.

All employment relationship was found in conformity with national law.

No labour-only contracting, sub-contracting, or home-working was used.

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

Details:

The hiring and termination practises

Personal files – employees labour contracts

Payroll records

Any other comments: N/A

**Non-compliance: Nothing to report**

<p><b>1. Description of non-compliance:</b>  <input type="checkbox"/> NC against ETI      <input type="checkbox"/> NC against Local Law      <input type="checkbox"/> NC against customer code:</p> <p><b>Local law and/or ETI requirement:</b></p> <p><b>Recommended corrective action:</b></p> <p><b>2. Description of non-compliance:</b>  <input type="checkbox"/> NC against ETI      <input type="checkbox"/> NC against Local Law      <input type="checkbox"/> NC against customer code:</p> <p><b>Local law and/or ETI requirement:</b></p> <p><b>Recommended corrective action:</b></p>	<p><b>Objective evidence observed:</b>  <i>(where relevant please add photo numbers)</i></p>
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Observation: Nothing to report	
<p><b>Description of observation:</b></p> <p><b>Local law or ETI requirement:</b></p> <p><b>Comments:</b></p>	<p><b>Objective evidence observed:</b></p>

Good Examples observed: Nothing to report	
<p>Description of Good Example (GE):</p>	<p><b>Objective Evidence Observed:</b></p>

### Responsible Recruitment

All Workers	
<p>A: Were all workers presented with terms of employment at the time of recruitment, did they understand them and are they same as current conditions?</p>	<p><input checked="" type="checkbox"/> Terms &amp; Conditions presented  <input checked="" type="checkbox"/> Understood by workers  <input checked="" type="checkbox"/> Same as actual conditions</p> <p>A1: If any are unchecked, please describe finding and specific category(ies) of workers affected: N/A</p>

<p>B: Did workers' pay any fees, taxes, deposits or bonds for the purpose of recruitment/placement?</p>	<p><input type="checkbox"/> Yes  <input checked="" type="checkbox"/> No                  B1: If yes, please describe details and specific category(ies) of workers affected:</p>
<p>C: If yes, check all that apply:</p>	<p><input type="checkbox"/> Recruitment / hiring fees  <input type="checkbox"/> Service fees  <input type="checkbox"/> Application costs  <input type="checkbox"/> Recommendation fees  <input type="checkbox"/> Placement fees  <input type="checkbox"/> Administrative, overhead or processing fees  <input type="checkbox"/> Skills tests  <input type="checkbox"/> Certifications  <input type="checkbox"/> Medical screenings  <input type="checkbox"/> Passports/ID's  <input type="checkbox"/> Work / resident permits  <input type="checkbox"/> Birth certificates  <input type="checkbox"/> Police clearance fees  <input type="checkbox"/> Any transportation and lodging costs after employment offer  <input type="checkbox"/> Any transport costs between work place and home  <input type="checkbox"/> Any relocation costs after commencement of employment  <input type="checkbox"/> New hire training / orientation fees  <input type="checkbox"/> Medical exam fees  <input type="checkbox"/> Deposit bonds or other deposits  <input type="checkbox"/> Any other non-monetary assets  <input type="checkbox"/> Other –                  C1: If other, please give details:</p>
<p>D: If any checked, give details:</p>	<p>N/A</p>

<p><b>Migrant Workers:</b>  <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></p>			
<p>A: Type of work undertaken by migrant workers:</p>	<p>Operator</p>		
<p>B: Please give details about recruitment agencies for migrant workers:</p>	<p>B1: Total number of (in country recruitment agencies) used: No agency used                  B2: Total number of (outside of local country) recruitment agencies used: No agency used</p>		
<p>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?</p>	<table border="1" style="width: 100%;"> <tr> <td data-bbox="627 1709 933 1904"> <p><input type="checkbox"/> Yes  <input checked="" type="checkbox"/> No                  C1: Please describe finding: no finding</p> </td> <td data-bbox="933 1709 1500 1904"> <p>C2: Observations: N/A</p> </td> </tr> </table>	<p><input type="checkbox"/> Yes  <input checked="" type="checkbox"/> No                  C1: Please describe finding: no finding</p>	<p>C2: Observations: N/A</p>
<p><input type="checkbox"/> Yes  <input checked="" type="checkbox"/> No                  C1: Please describe finding: no finding</p>	<p>C2: Observations: N/A</p>		
<p>D: Are Any migrant workers in skilled, technical, or management roles</p>	<p><input type="checkbox"/> Yes  <input checked="" type="checkbox"/> No</p>		

<i>Migrant Workers (this should include all migrant workers including permanent workers, temporary and/or seasonal workers)</i>	D1: If yes, number and example of roles: N/A
---	--

**NON-EMPLOYEE WORKERS**

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

<b>Agency Workers (if applicable)</b>	
<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: No agency used
B: Were agency workers' age / pay / hours included within the scope of this audit?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No



<p>C: Were sufficient documents for agency workers available for review?</p>	<p><input checked="" type="checkbox"/> Yes <input type="checkbox"/> No</p>
<p>D: Is there a legal contract / agreement with all agencies?</p>	<p><input type="checkbox"/> Yes <input checked="" type="checkbox"/> No</p> <p>D1: Please give details: No agency used</p>
<p>E: Does the site have a system for checking labour standards of agencies? If yes, please give details.</p>	<p><input type="checkbox"/> Yes <input checked="" type="checkbox"/> No</p> <p>E1: Please give details: No agency used</p>

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

**8A: Sub-Contracting and Homeworking**

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

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

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

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

*Note to auditor on homeworking:*

*Report on whether it is direct or via agents. How many workers, relationship with site and what control systems are in place.*

*Note to auditor on subcontracting: auditor should use this section for subcontractors of part made or wholly made finished goods, this section should not be used for raw material manufacturers unless instructed otherwise by customers*

**Current Systems and Evidence Examined**

*To complete 'current systems' Auditors examine policies and written procedures in conjunction with relevant managers, to understand, and record what controls and processes are currently in place e.g. record what policies are in place, what relevant procedures are carried out, who is/are responsible for the management of this item of the code. Evidence checked should detail any documentary or verbal evidence shown to support the systems.*

**Current systems:**

No sub-contractor presents

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

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

Process Subcontracted	Process 1	Process 2
Name of factory		
Address		

Process Subcontracted	Process 3	Process 4
Name of factory		
Address		

Process Subcontracted	Process 5	Process 6
Name of factory		
Address		

Details: N/A

**Non-compliance: Nothing to report**

<p><b>1. Description of non-compliance:</b>  <input type="checkbox"/> NC against ETI/Additional Elements      <input type="checkbox"/> NC against Local Law  <input type="checkbox"/> NC against customer code:</p> <p><b>Local law and/or ETI /Additional Elements requirement:</b></p> <p><b>Recommended corrective action:</b></p>	<p><b>Objective evidence observed:</b>  <i>(where relevant please add photo numbers)</i></p>
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Observation: Nothing to report	
<p><b>Description of observation:</b></p> <p><b>Local law or ETI/Additional elements requirement:</b></p> <p><b>Comments:</b></p>	<p><b>Objective evidence observed:</b></p>

Good Examples observed: Nothing to report	
<p>Description of Good Example (GE):</p>	<p><b>Objective Evidence Observed:</b></p>

Summary of sub-contracting – if applicable	
<input checked="" type="checkbox"/> Not Applicable please x	
<p>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</p>	<p><input type="checkbox"/> Yes  <input type="checkbox"/> No  A1: Please describe:</p>
<p>B: If sub-contractors are used, is there evidence this has been agreed with the main client?</p>	<p><input type="checkbox"/> Yes  <input type="checkbox"/> No  B1: If <b>Yes</b>, summarise details:</p>
<p>C: Number of sub-contractors/agents used:</p>	
<p>D: Is there a site policy on sub-contracting?</p>	<p><input type="checkbox"/> Yes  <input type="checkbox"/> No  D1: If <b>Yes</b>, summarise details:</p>
<p>E: What checks are in place to ensure no child labour is being used and work is safe?</p>	

<b>Summary of homeworking – if applicable</b> <input checked="" type="checkbox"/> Not Applicable please x			
A: If homeworking is being used, is there evidence this has been agreed with the main client?	<input type="checkbox"/> Yes <input type="checkbox"/> No A1: If <b>Yes</b> , summarise details:		
B: Number of homeworkers	B1: Male:	B2: Female:	Total:
C: Are homeworkers employed direct or through agents?	<input type="checkbox"/> Directly <input type="checkbox"/> Through Agents		C1: If through agents, number of agents:
D: Is there a site policy on homeworking?	<input type="checkbox"/> Yes <input type="checkbox"/> No		
E: How does the site ensure worker hours and pay meet local laws for homeworkers?			
F: What processes are carried out by homeworkers?			
G: Do any contracts exist for homeworkers?	<input type="checkbox"/> Yes <input type="checkbox"/> No G1: Please give details:		
H: Are full records of homeworkers available at the site?	<input type="checkbox"/> Yes <input type="checkbox"/> 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 <sup>rd</sup> party?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No A1: Please give details: Hotline, comment box
B: If <b>Yes</b> , are workers aware of these channels and have access? Please give details.	Interviewee confirmed possibility to use anonymous reporting any violations.
C: If yes, what type of mechanism is used e.g. hotline, whistle blowing mechanism, comment box etc. Please give details.	Confidence box
D: Which of the following groups is there a grievance mechanism in place for?	<input checked="" type="checkbox"/> Workers <input checked="" type="checkbox"/> Communities <input type="checkbox"/> Suppliers <input type="checkbox"/> Other  D1: Please give details: The company Confidence box is available for workers and also third parties.
E: Are there any open disputes?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No  E1: If yes, please give details N/A
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)	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No  F1: If no, please give details: N/A
G: Is there a published and transparent disciplinary procedure?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No  G1: If no, please explain: N/A
H: If yes, are workers aware of these the disciplinary procedure?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No  H1: If no, please give details: N/A

<p>I: Does the disciplinary procedure allow for deductions from wages (fines) for disciplinary purposes (see wages section)?</p>	<p><input type="checkbox"/> Yes  <input checked="" type="checkbox"/> No</p> <p>II: If yes, please give details N/A</p>
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**Current Systems and Evidence Examined**

*To complete 'current systems' Auditors examine policies and written procedures in conjunction with relevant managers, to understand, and record what controls and processes are currently in place e.g. record what policies are in place, what relevant procedures are carried out, who is /are responsible for the management of this item of the code. Evidence checked should detail any documentary or verbal evidence shown to support the systems.*

**Current systems:**  
 As per document review and workers interview, there is the Ethical Code on Harsh Treatment. The site has a functioning system to identify, manage and remediate any cases of harassment or inhumane treatment.  
 This includes a policy, disciplinary procedure, effective grievance mechanism, adequately recorded grievances.  
 Workers are aware of the policy, disciplinary procedure and grievance mechanism.  
 Workers report they can easily access the grievance mechanism and report that management responds to their grievance in a timely and appropriate manner.

The site actively trains managers and workers on fair treatment and monitors the effectiveness of the training.

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

Details:  
 The policy on prevention of harassment and abuse in ETI Code

Any other comments: N/A

**Non-compliance: Nothing to report**

<p><b>1. Description of non-compliance:</b>  <input type="checkbox"/> NC against ETI      <input type="checkbox"/> NC against Local Law      <input type="checkbox"/> NC against customer code:</p> <p><b>Local law and/or ETI requirement:</b></p> <p><b>Recommended corrective action:</b></p>	<p><b>Objective evidence observed:</b>  <i>(where relevant please add photo numbers)</i></p>
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Observation: Nothing to report	
<b>Description of observation:</b>  <b>Local law or ETI requirement:</b>  <b>Comments:</b>	<b>Objective evidence observed:</b>

Good Examples observed: Nothing to report	
<b>Description of Good Example (GE):</b>	<b>Objective Evidence Observed:</b>

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

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

**Additional Elements**

10A.1 Only workers with a legal right to work shall be employed or used by the supplier.  
 10A.2 All workers, including employment agency staff, must be validated by the supplier for their legal right to work by reviewing original documentation.

**Current Systems and Evidence Examined**

*To complete 'current systems' Auditors examine policies and written procedures in conjunction with relevant managers, to understand, and record what controls and processes are currently in place e.g. record what policies are in place, what relevant procedures are carried out, who is/are responsible for the management of this item of the code. Evidence checked should detail any documentary or verbal evidence shown to support the systems.*

**Current systems:**

Per document review, factory management representation and worker interviews, all workers at the plant have legal right to work.  
 The site systematically verifies the right to work of all workers, including migrant workers.  
 The existence of an employment contract only on the basis of a work permit.  
 The site maintains adequate records for proof of right to work.

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

Details:  
 Hiring procedure  
 Personnel files  
 Migrant workers permit to work

Any other comments: N/A

**Non-compliance: Nothing to report**

**1. Description of non-compliance:**

NC against ETI/Additional Elements       NC against Local Law  
 NC against customer code:

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

**Recommended corrective action:**

**2. Description of non-compliance:**

NC against ETI/Additional Elements       NC against Local  
 NC against customer code:

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

**Objective evidence observed:**

*(where relevant please add photo numbers)*



<b>Recommended corrective action:</b>	
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Observation: Nothing to report	
<b>Description of observation:</b> <b>Local law or ETI/Additional Elements requirement:</b> <b>Comments:</b>	<b>Objective evidence observed:</b>

Good examples observed: Nothing to report	
Description of Good Example (GE):	<b>Objective Evidence Observed:</b>

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

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

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

**B.4. Compliance Requirements**

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

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

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

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

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

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

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

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

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

**B4. Guidance for Observations**

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

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

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

**Current Systems and Evidence Examined**

*To complete 'current systems' Auditors examine policies and written procedures in conjunction with relevant managers, to understand, and record what controls and processes are currently in place e.g. record what policies are in place, what relevant procedures are carried out, who is/are responsible for the management of this item of the code. Evidence checked should detail any documentary or verbal evidence shown to support the systems.*

**Current systems:**

Company has an environmental policy, covering their environmental impact, which is communicated to all appropriate parties, including its own suppliers.

Company is aware of the significant environmental impacts of their site and its processes.

The site measures its impacts, including continuous recording and regular reviews of use and discharge of natural resources e.g., energy use, water use.

Company makes continuous improvements in their environmental performance.

Businesses appointed a manager responsible for Environmental issues and co–ordinating the site's efforts to improve environmental performance – Mr. Miroslav Vlk – Production Manager.

The company meets all requirements of local and national laws related to Czech Law requirements.

The company has the relevant valid permits including for use and disposal of resources.

The company is aware of end client’s environmental code requirements and has a system in place to monitor their performance against these.

The company hasn't been subject to any fines for noncompliance to local environmental regulations

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

Details:

- All legally requirement documents
- Company environmental policy, valid from 11/2021
- Company Risk management procedure, valid from 11/2021
- Energy bills
- Water bills
- Waste transfer documents
- Worker and management Interviews

Any other comments: N/A

**Non-compliance: Nothing to report**

**1. Description of non-compliance:**

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

**Objective evidence observed:**  
*(where relevant please add photo numbers)*

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

**Recommended corrective action:**

**Observation: Nothing to report**

**Description of observation:**

**Local law or ETI/Additional elements requirements:**

**Comments:**

**Objective evidence observed:**

**Good examples observed: Nothing to report**

Description of Good Example (GE):  
Improvements based on energy audit - reduction of emissions by installing biomass boilers.

**Objective Evidence Observed:**  
Environmental company targets

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<b>Environmental Analysis</b> <i>(Site declaration only – this has not been verified by auditor. Please state units in all cases below.)</i>	
A: Is there a manager responsible for Environmental issues (Name and Position):	Mr. Miroslav Vlk – Production Manager
B: Has the site conducted a risk assessment on the environmental impact of the site, including implementation of controls to reduce identified risks?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No B1: Please give details: Company Risk Management procedure, valid from 11/2021
C: Does the site have a recognised environmental system certification such as ISO 14000 or equivalent? Please give details.	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No C1: Please give details: Only ISO 9001 system implemented
D: Does the site have an Environmental policy? <i>(For guidance, please see Measurement criteria)</i>	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No D1: If yes, is it publicly available? Company environmental policy, valid from 11/2021 <b>Posted at company premise</b>
E: If yes, does it address the key impacts from their operations and their commitment to improvement?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No E1: Please give details: Company commitment to reduce energy consumption, and waste reduction - biomass boilers installed
F: Does the site have a Biodiversity policy? <i>(For guidance, please see Measurement criteria)</i>	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
G: Is there any other sustainability systems present such as Chain of Custody, Forest Stewardship Council (FSC), Marine Stewardship Council (MSC) etc.? Please give details. <i>(For guidance, please see Measurement criteria)</i>	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No G1: Please give details: N/A
H: Have all legally required permits been shown? Please give details.	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No H1: Please give details: Permission to operate biomass boilers, concessions for truck transport of 17/6/2011- with validity without restrictions
I: Is there a documentation process to record hazardous chemicals used in the manufacturing process?	<input type="checkbox"/> Yes <input type="checkbox"/> No <input checked="" type="checkbox"/> N/A I1: Please give details: No chemicals are used in the process, the wood is heat treated against pests
J: Is there a system for managing client's requirements and legislation in the destination countries regarding environmental and chemical issues?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No J1: Please give details: According to ISO 9001 requirement there is a Register of legislation and other requirements, last actualised on 9/11/2021.

K: Facility has reduction targets in place for environmental aspects e.g. water consumption and discharge, waste, energy and green-house gas emissions:	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No K1: Please give details: ISO system Targets for year 2021, energy reduction, waste reduction, regular emissions measurements without any fine.
L: Facility has evidence of waste recycling and is monitoring volume of waste that is recycled.	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No L1: Please give details: yearly waste production report to ISPOP, last reported on February 2021
M: Does the facility have a system in place for accurately measuring and monitoring consumption of key utilities of water, energy and natural resources that follows recognised protocols or standards?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No M1: Please give details: Calibrated energy and water consumption meters, monthly monitored
N: Has the facility checked that any Sub-Contracting agencies or business partners operating on the premises have the appropriate permits and licences and are conducting business in line with environmental expectations of the facility?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No N1: Please give details: No subcontractor operates in the premise

**Usage/Discharge analysis**

Criteria	Previous year: Please state period: ____2019_____	Current Year: Please state period: ____2020_____
Electricity Usage: Kw/hrs	970253 kW/hrs	1020805 kW/hrs
Renewable Energy Usage: Kw/hrs	0	0
Gas Usage: Kw/hrs	0	0
Has site completed any carbon Footprint Analysis?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
If <b>Yes</b> , please state result	N/A	N/A
Water Sources: Please list all sources e.g. lake, river, and local water authority.	<ul style="list-style-type: none"> <li>• well</li> <li>•</li> <li>•</li> </ul>	<ul style="list-style-type: none"> <li>• well</li> <li>•</li> <li>•</li> </ul>
Water Volume Used: (m <sup>3</sup> )	953 m3	985 m3
Water Discharged: Please list all receiving waters/recipients.	<ul style="list-style-type: none"> <li>• watercourse</li> <li>•</li> <li>•</li> </ul>	<ul style="list-style-type: none"> <li>• watercourse</li> <li>•</li> <li>•</li> </ul>
Water Volume Discharged: (m <sup>3</sup> )	953 m3	985 m3
Water Volume Recycled:	0	0

(m <sup>3</sup> )		
Total waste Produced <i>(please state units)</i>	34,07 tons	38,55 tons
Total hazardous waste Produced: <i>(please state units)</i>	3,855 tons	4,259 tons
Waste to Recycling: <i>(please state units)</i>	0	0
Waste to Landfill: <i>(please state units)</i>	1,80 tons	2,10 tons
Waste to other: <i>(please give details and state units)</i>	0	0
Total Product Produced <i>(please state units)</i>	Not provided	Not provided

**10C: Business Ethics – 4-Pillar Audit**

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

To be completed for a 4-Pillar SMETA Audit

**10C. Compliance Requirements**

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

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

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

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

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

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

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

**10C. Guidance for Observations**

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

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

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

**Current Systems and Evidence Examined**

*To complete 'current systems' Auditors examine policies and written procedures in conjunction with relevant managers, to understand, and record what controls and processes are currently in place e.g. record what policies are in place, what relevant procedures are carried out, who is /are responsible for the management of this item of the code. Evidence checked should detail any documentary or verbal evidence shown to support the systems.*

**Current systems:**

The company management is aware of its end client's business practices standards and ETI Code requirements and meets the requirements of local and national laws related to bribery, corruption, or any type of fraudulent Business Practices.

The company conducts their business ethically without bribery, corruption, or any type of fraudulent Business Practice.

Company has designated person responsible for implementing standards concerning business ethics – Ms. Vladimír Vlk, senior - company owner.

The company demonstrates that they comply with all fiscal legislative requirements and recently has not been subject to any fine for non-compliance to Business Ethics regulations.

There is a transparent system in place for confidentially reporting, and dealing with unethical Business Ethics without fear of reprisals towards the reporter in the facility.



The company has a Business Ethics policy, covering bribery, corruption, or any type of fraudulent Business Practice. The staff of sales and purchasing departments is trained on what action to take in the event of an issue arising in their area.

Facility communicates their Code of Ethics for Traders covering bribery, corruption, or any type of fraudulent Business Practice to all appropriate parties, including its own suppliers.

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

Details:

Code of Conduct

Supplier Code of Conduct

Worker and management interview

Any other comments: N/A

**Non-compliance: Nothing to report**

**1. Description of non-compliance:**

NC against ETI/Additional Elements

NC against Local

NC against customer code:

**Objective evidence observed:**

*(where relevant please add photo numbers)*

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

**Recommended corrective action:**

**Observation: Nothing to report**

**Description of observation:**

**Objective evidence observed:**

**Local law or ETI/Additional elements requirement:**

**Comments:**

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<b>Good examples observed: Nothing to report</b>	
Description of Good Example (GE):	<b>Objective Evidence Observed:</b>

<p>A: Does the facility have a Business Ethics Policy and is the policy communicated and applied internally, externally or both, as appropriate?</p>	<p><input checked="" type="checkbox"/> Internal Policy  <input checked="" type="checkbox"/> Policy for third parties including suppliers</p> <p>A1: Please give details:            Code of Conduct            Supplier Code of Conduct</p>
<p>B: Does the site give training to relevant personnel (e.g. sales and logistics) on business ethics issues?</p>	<p><input checked="" type="checkbox"/> Yes  <input type="checkbox"/> No</p> <p>B1: Please give details: Anti-corruption training on 7/12/2021</p>
<p>C: Is the policy updated on a regular (as needed) basis?</p>	<p><input checked="" type="checkbox"/> Yes  <input type="checkbox"/> No</p> <p>C1: Please give details: Code of Conduct</p>
<p>D: Does the site require third parties including suppliers to complete their own business ethics training</p>	<p><input checked="" type="checkbox"/> Yes  <input type="checkbox"/> No</p> <p>D1: Please give details: Supplier Code of Conduct sent to suppliers</p>

Other findings

Other Findings Outside the Scope of the Code
Nothing to report

Community Benefits
<i>(Please list below any specific community benefits that the site management stated that they were involved in, for example, HIV programme, education, sports facilities)</i>
Nothing to report

## Appendix 1

<p><b>Comparison between ETI code and Customer's Supplier's Code. Any areas where a site complies with the Customer's Supplier Code, but not with the ETI code are discussed at the audit close out meeting and recorded on the CAPR. Note to supplier "for this customer it may not be necessary to complete corrective actions where NC's DO NOT meet the ETI code, but DO meet your customer's code. If the audit is shared with other customers who work to the ETI code or an equivalent international standard, corrective actions will be necessary."</b></p> <p><input type="checkbox"/> Not Applicable please x</p>	
<p><b>NOTE:</b> The provisions of the ETI base Code constitute minimum and not maximum standards, and this code should not be used to prevent companies from exceeding these standards. Companies applying the ETI Base Code are expected to comply with national and other applicable law and, where the provisions of law and the ETI Base Code address the same subject, to apply that provision which affords the greater protection.</p>	<p><b>Instruction to Audit Company:</b> fill in the relevant clauses from the Customer Supplier Code - where applicable.</p>
<b>ETI Code / Additional Elements</b>	<b>Customer's Supplier Code equivalent</b>
<b>0.A. Universal Rights covering UNGP</b>	<b>0.A. Universal Rights covering UNGP</b>
<p><b>0.A. Guidance for Observations</b></p> <p>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.</p> <p>0.A.2 Businesses should have a designated person responsible for implementing standards concerning Human rights</p> <p>0.A.3 Businesses shall identify their stakeholders and salient issues.</p> <p>0.A.4 Businesses shall measure their direct, indirect, and potential impacts on stakeholders (rights holders) human rights.</p> <p>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.</p> <p>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.</p>	
<b>0.B. Management Systems &amp; Code Implementation</b>	<b>0.B. Management Systems &amp; Code Implementation</b>
<p>0.1 Suppliers are expected to implement and maintain systems for delivering compliance to this Code.</p>	

<p>0.2 Suppliers shall appoint a senior member of management who shall be responsible for compliance with the Code.</p> <p>0.3 Suppliers are expected to communicate this Code to all employees.</p> <p>0.4 Suppliers should communicate this code to their own suppliers and, where reasonably practicable, extend the principles of this Ethical Code through their supply chain.</p>	
<p><b>ETI 1. Forced Labour</b></p>	<p><b>ETI 1. Forced Labour</b></p>
<p>1.1 There is no forced, bonded or involuntary prison labour.</p> <p>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.</p>	
<p><b>ETI 2. Freedom of association and the right to collective bargaining are respected</b></p>	<p><b>ETI 2. Freedom of association and the right to collective bargaining are respected</b></p>
<p>2.1 Workers, without distinction, have the right to join or form trade unions of their own choosing and to bargain collectively.</p> <p>2.2 The employer adopts an open attitude towards the activities of trade unions and their organisational activities.</p> <p>2.3 Workers' representatives are not discriminated against and have access to carry out their representative functions in the workplace.</p> <p>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.</p>	
<p><b>ETI 3. Working conditions are safe and hygienic</b></p>	<p><b>ETI 3. Working conditions are safe and hygienic</b></p>
<p>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.</p> <p>3.2 Workers shall receive regular and recorded Health &amp; Safety training, and such training shall be repeated for new or reassigned workers.</p> <p>3.3 Access to clean toilet facilities and to potable water, and, if appropriate, sanitary facilities for food storage shall be provided.</p>	

<p>3.4 Accommodation, where provided, shall be clean, safe, and meet the basic needs of the workers.</p> <p>3.5 The company observing the code shall assign responsibility for Health &amp; Safety to a senior management representative.</p>	
<p><b>ETI 4. Child labour shall not be used</b></p>	<p><b>ETI 4. Child labour shall not be used</b></p>
<p>4.1 There shall be no new recruitment of child labour.</p> <p>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.</p> <p>4.3 Children and young persons under 18 shall not be employed at night or in hazardous conditions.</p> <p>4.4 These policies and procedures shall conform to the provisions of the relevant ILO Standards.</p>	
<p><b>ETI 5. Living wages are paid</b></p>	<p><b>ETI 5. Living wages are paid</b></p>
<p>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.</p> <p>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.</p> <p>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.</p>	
<p><b>ETI 6. Working Hours are not excessive</b></p>	<p><b>ETI 6. Working Hours are not excessive</b></p>
<p>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.</p> <p>6.2 Working hours, excluding overtime, shall be defined by contract, and shall not exceed 48 hours per week.</p>	

<p>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.</p> <p>6.4 The total hours worked in any 7 day period shall not exceed 60 hours, except where covered by clause 6.5 below.</p> <p>6.5 Working hours may exceed 60 hours in any 7 day period only in exceptional circumstances where <b>all</b> of the following are met:</p> <ul style="list-style-type: none"> <li>- this is allowed by national law;</li> <li>- this is allowed by a collective agreement freely negotiated with a workers' organisation representing a significant portion of the workforce;</li> <li>- appropriate safeguards are taken to protect the workers' health and safety; and</li> <li>- The employer can demonstrate that exceptional circumstances apply such as unexpected production peaks, accidents or emergencies.</li> </ul> <p>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.</p>	
<p><b>ETI 7. No discrimination is practised</b></p>	<p><b>ETI 7. No discrimination is practised</b></p>
<p>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.</p>	
<p><b>ETI 8. Regular employment is provided</b></p>	<p><b>ETI 8. Regular employment is provided</b></p>
<p>8.1 To every extent possible work performed must be on the basis of recognised employment relationship established through national law and practice.</p> <p>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</p>	

<p>provide regular employment, nor shall any such obligations be avoided through the excessive use of fixed-term contracts of employment.</p> <p><b>Additional Elements: Responsible Recruitment</b>              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.</p>	
<p><b>8A: Sub-Contracting and Homeworking</b></p>	<p><b>8A: Sub-Contracting and Homeworking</b></p>
<p>8A.1 There should be no sub-contracting unless previously agreed with the main client.              8A.2 Systems and processes should be in place to manage sub-contracting, homeworking and external processing.</p>	
<p><b>ETI 9. No harsh or inhumane treatment is allowed</b></p>	<p><b>ETI 9. No harsh or inhumane treatment is allowed</b></p>
<p>9.1 Physical abuse or discipline, the threat of physical abuse, sexual or other harassment and verbal abuse or other forms of intimidation shall be prohibited.              Additional elements:              9.2 companies should provide access to a confidential grievance mechanism for all workers</p>	
<p><b>10. Other Issue areas: 10A: Entitlement to Work and Immigration</b></p>	
<p><b>Additional Elements</b>              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.</p>	
<p><b>10. Other issue areas 10B2: Environment 2-Pillar</b></p>	



<p>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.  <i>Note for auditors and readers, this is not a full environmental assessment but a check on basic systems and management approach.</i></p>	
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SMETA Extra Sections for 4 Pillar Audit:	SMETA Extra Sections for 4 Pillar Audit:
<p><b>Environment Section</b></p>	<p><b>Environment Section</b></p>
<p><b>B.4. Compliance Requirements</b>            10B4.1 Businesses as a minimum must meet the requirements of local and national laws related to environmental standards.            10B4.2 Where it is a legal requirement, businesses must be able to demonstrate that they have the relevant valid permits including for use and disposal of resources e.g. water, waste etc.            10B4.3 Businesses shall be aware of their end client's environmental standards/code requirements            10B4.4 Suppliers should have an environmental policy, covering their environmental impact, which is communicated to all appropriate parties, including its own suppliers.            10B4.5 Suppliers shall be aware of the significant environmental impact of their site and its processes.            10B4.6 The site should measure its impacts, including continuous recording and regular reviews of use and discharge of natural resources e.g. energy use, water use (see 4-pillar audit report and audit checks for details).            10B4.7 Businesses shall make continuous improvements in their environmental performance.            10B4.8 Businesses shall have available for review any environmental certifications or any environmental management systems documentation            10B4.9 Businesses should have a nominated individual responsible for co-ordinating the site's efforts to improve environmental performance.  <b>B4. Guidance for Observations</b>            10B4.10 Suppliers should have completed the appropriate section of the SAQ and made it available to the auditor.            10B4.11 Has the site recently been subject to (or pending) any fines/prosecutions for noncompliance to environmental regulations.</p>	
<p><b>Business Practices Section</b></p>	

**10C. Compliance Requirements**

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

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

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

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

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

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













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






**10C. Guidance for Observations**

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

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

## Photo Form

		
<p>Administrative building</p>	<p>Area plan</p>	<p>Workers' dressing room</p>
		
<p>Attendance electronic system</p>	<p>Production hall - trimming saw</p>	<p>Cutting logs in upper hall</p>
		
<p>Wooden planks shortening</p>	<p>Pallets Expedition</p>	<p>Firefighting equipment available</p>
		
<p>OBS: Blocked access to emergency exit</p>	<p>OBS corrected: Free access provided immediately</p>	<p>Modern biomass boiler installed</p>

		
<p>OBS: Rack for instruments used without load designation</p>	<p>OBS corrected: load designation labelled</p>	<p>Boxes for waste sorting</p>
		
<p>OBS: Fire hydrant barred by bags in the lower hall.</p>	<p>OBS corrected: Free access to hydrant ensured</p>	



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

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