





Sedex Members Ethical Trade Audit Report

Version 6.0



Audit Details			
Sedex Company Reference: <i>(only available on Sedex System)</i>	Not known	Sedex Site Reference: <i>(only available on Sedex System)</i>	Not known
Business name (Company name):	Lübbbers Lufttechnische Anlagen, Schallschutz und Heizungsbau GmbH & Co.KG		
Site name:	Lübbbers Lufttechnische Anlagen, Schallschutz und Heizungsbau GmbH & Co. KG		
Site address: <i>(Please include full address)</i>	Im Kamp Hoog, 49808 Lingen	Country:	Germany
Site contact and job title:	Rene Werner, Buyer		
Site phone:	+49 591 9636012	Site e-mail:	info@luebbbers-lta.de
SMETA Audit Type:	<input checked="" type="checkbox"/> Labour Standards	<input checked="" type="checkbox"/> Health & Safety	<input checked="" type="checkbox"/> Environment <input checked="" type="checkbox"/> Business Ethics
Date of Audit:	11-12.03.2019 30.07.2019		

Audit Company Name & Logo: Intertek Certification GmbH 	Report Owner (payee):  Lübbbers Lufttechnische Anlagen, Schallschutz und Heizungsbau GmbH & Co KG , Lingen
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Audit Conducted By					
Commercial	<input checked="" type="checkbox"/>	Purchaser	<input type="checkbox"/>	Retailer	<input type="checkbox"/>
Brand owner	<input type="checkbox"/>	NGO	<input type="checkbox"/>	Trade Union	<input type="checkbox"/>
Multi-stakeholder	<input type="checkbox"/>	Combined Audit (select all that apply)			

Audit Content:

(1) A SMETA audit was conducted which included some or all of Labour Standards, Health & Safety, Environment and Business Ethics. The SMETA Best Practice Version 6.0 April 2017 was applied. The scope of workers included all types at the site e.g. direct employees, agency workers, workers employed by service providers and workers provided by other contractors. Any deviations from the SMETA Methodology are stated (with reasons for deviation) in the SMETA Declaration.

(2) The audit scope was against the following reference documents

2-Pillar SMETA Audit

- ETI Base Code
- SMETA Additions
 - Universal rights covering UNGP
 - Management systems and code implementation,
 - Responsible Recruitment
 - Entitlement to Work & Immigration,
 - Sub-Contracting and Home working,

4-Pillar SMETA

- 2-Pillar requirements plus
- Additional Pillar assessment of Environment
- Additional Pillar assessment of Business Ethics
- The Customer's Supplier Code (Appendix 1)

(3) Where appropriate non-compliances were raised against the ETI code / SMETA Additions & local law and recorded as non compliances on both the audit report, CAPR and on Sedex.

(4) Any Non-Compliance against customer code shall not be uploaded to Sedex. However, in the CAPR these 'Variances in compliance between ETI code / SMETA Additions/ local law and customer code' shall be noted in the observations section of the CAPR.

SMETA Declaration

I declare that the audit underpinning the following report was conducted in accordance with SMETA Best Practice Guidance and SMETA Measurement Criteria.

- (1) Where appropriate non-compliances were raised against the ETI code / SMETA Additions & local law and recorded as non-compliances on both the audit report, CAPR and on Sedex.
- (2) Any Non-Compliance against customer code alone shall not be uploaded to Sedex. However, in the CAPR these 'Variances in compliance between ETI code / SMETA Additions/ local law and customer code' shall be noted in the observations section of the CAPR.

Any exceptions to this must be recorded here (e.g. different sample size): None

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

Lead auditor: Petra Katzenberger

Team auditor: N/A

Interviewers: Petra Katzenberger

Report writer: Petra Katzenberger

Report reviewer: Rama Rao

Date of declaration: 12.03.2019

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

Lead auditor: Hans- Joachim Meier

Team auditor:

Interviewers: Hans- Joachim Meier

Report writer: Hans- Joachim Meier

Report reviewer: Rama Rao

Date of declaration: 30.07.2019

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.

Non-Compliance Table

Issue <i>(please click on the issue title to go direct to the appropriate audit results by clause)</i> Note to auditor, please ensure that when issuing the audit report, hyperlinks are retained.	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*:			NC Findings Only <i>(note to auditor, summarise in as few words as possible NC's only)</i>
	ETI Base Code	Local Law	Additional Elements	Customer Code	NC	Obs	GE	
0A Universal Rights covering UNGP Follow-Up Audit 30.07.2019			<input checked="" type="checkbox"/> <input type="checkbox"/> <input checked="" type="checkbox"/>	<input type="checkbox"/> <input type="checkbox"/>		2		<p>It was noted that factory have principles and values, but no written policy covering human rights</p> <p>It was noted that factory have not identify their stakeholders.</p> <p>It has been established that the factory has principles and values. The company has written down its human rights policy in the Code of conduct.</p> <p>The company is still conducting a stakeholder analysis to establish an appropriate stakeholder management in the company.</p>
0B Management systems and code implementation	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	3			<p>It was noted that factory have value and principles but no written social compliance policy covering all ethical standards</p> <p>It was noted that the code of Conduct is not communicated to the employees</p>

	Follow-Up Audit 30.07.2019	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>				<p>It was noted that the code of Conduct is not communicated to their supply chain</p> <p>The Code of Conduct is posted in several places throughout the company (bulletin board) and is accessible to all employees.</p> <p>Employees were also instructed on the meaning and content of the Code of Conduct.</p> <p>It was found that the Code of Conduct was not fully and verifiably communicated to their supply chain</p>
1.	Freely chosen Employment	<input type="checkbox"/>	<input type="checkbox"/>		<input type="checkbox"/>				
2.	Freedom of Association	<input type="checkbox"/>	<input type="checkbox"/>		<input type="checkbox"/>				
3.	Safety and Hygienic Conditions	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>		<input type="checkbox"/>	2			<p>It was noted that no evacuation drills are not performed once a year for all shifts and areas. It was noted that evacuation plans are missing in all areas</p>
	Follow-Up Audit 30.07.2019	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>		<input type="checkbox"/>	1			<p>It was noted that no evacuation drills are not performed once a year for all shifts and areas.</p> <p>During the inspection it was determined that evacuation plans were hung in 5 places in the company.</p>
4.	Child Labour	<input type="checkbox"/>	<input type="checkbox"/>		<input type="checkbox"/>				
5.	Living Wages and Benefits	<input type="checkbox"/>	<input type="checkbox"/>		<input type="checkbox"/>				
6.	Working Hours	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>		<input type="checkbox"/>	1			<p>It was noted that 2 out of 10 workers (fitters on construction sites) have extend working hours.</p>

									the Normal daily hours exceeds 10 hours per day February 2019 (2 Workers in total 6 days) , March 2019 (2 Workers 5 days) according to data protection law it is not allowed to list the times individually During today's audit, no violations of the Working Hours Act could be detected.
	Follow-Up Audit 30.07.2019	<input type="checkbox"/>	<input type="checkbox"/>		<input type="checkbox"/>				
7	Discrimination	<input type="checkbox"/>	<input type="checkbox"/>		<input type="checkbox"/>				
8	Regular Employment	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>				
8A	Sub-Contracting and Homeworking		<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>				
9	Harsh or Inhumane Treatment	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	1			It was noted that the company has no access to confidential complaint proceedings.
	Follow-Up Audit 30.07.2019	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>				After the last audit, a complaint box was hung up for employees to access.
10A	Entitlement to Work		<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>				
10B2	Environment 2-Pillar		<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>				
10B4	Environment 4-Pillar		<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>				
10C	Business Ethics		<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	1			It was noted that factory have principles and values but no written Business Ethics policy, covering bribery, corruption, or any type of fraudulent Business Practice

Follow-Up Audit 30.07.2019		<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>				<p>It has been established that the factory has principles and values. These business ethics guidelines are set out in writing in the Code of Conduct. These relate to bribery, corruption or any kind of fraudulent business practice.</p>
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General observations and summary of the site:

The audit was conducted by collecting samples of evidence in various forms such as documents, interviews and observations.

Intertek Certification GmbH assessed the facility against the ETI Base code and local laws on a random sampling basis.

Factory name is Lübbers Lufttechnische Anlagen, Schallschutz und Heizungsbau GmbH & Co. KG. Factory have 2 locations in Lingen. One administration building with 1 floor and one production hall with 1 floor. Address of the Administration office is Im Kamp Hoog 14, 49808 Lingen, Address of the Production hall is 49808 Lingen. Buildings are located in a mixed industrial area. Facility size is 3000 sqm Land size and 1500 sqm Floor size. Both locations visited during audit.

Planning takes place at the Lingen site. The plants are assembled on site at the customer's premises. The locations are different, depending on the order. The construction of the plants is carried out by fitters.

Main Business is Complete ventilation systems (service and installation). Production processes are Planning of ventilation systems, drawing, preparation of quotations, execution, ordering of materials, assembly, commissioning

Audit Scope included employees in the administration office, Workers from production and fitters.
Site have no peak seasons.

There is no union at site and no workers committee. No relevant local law to have a union or workers committee.

The youngest worker on site is above 18 years old (confidential).
10 workers were randomly selected for interviews from different areas

All workers said they were satisfied with their employment at the factory.
They also said they were able to make suggestions to their supervisors and team leaders.

Issues Found

NC

It was noted that factory have value and principles but no written social compliance policy covering all ethical standards

It was noted that the code of Conduct is not communicated to the employees

It was noted that the code of Conduct is not communicated to their supply chain

It was noted that no evacuation drills are not performed once a year for all shifts and areas.

It was noted that evacuation plans are missing in all areas

It was noted that 2 out of 10 workers (fitters on construction sites) have extend working hours. the Normal daily hours exceeds 10 hours per day

February 2019 (2 Workers in total 6 days) , March 2019 (2 Workers 5 days)

according to data protection law it is not allowed to list the times individually

It was noted that The Company has no access to confidential complaint proceedings.

It was noted that factory have principles and values but no written Business Ethics policy, covering bribery, corruption, or any type of fraudulent Business Practice

Follow-Up Audit 30.07.2019

Issues Found

NC

It was noted that no evacuation drills are not performed once a year for all shifts and areas.

It was found that the Code of Conduct was not fully and verifiably communicated to their supply chain.

Obs

It was noted that factory have principles and values, but no written policy covering human rights

It was noted that factory have not identify their stakeholders.

Follow-Up Audit 30.07.2019

Issues Found

Obs

The company is still conducting a stakeholder analysis to establish an appropriate stakeholder management in the company.

GE:

certificate SCC, certificate no 95756, valid until 03 June 2020

**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: Site name:	Lübbers Lufttechnische Anlagen, Schallschutz und Heizungsbau GmbH & Co. KG
B: Site name:	Lübbers Lufttechnische Anlagen, Schallschutz und Heizungsbau GmbH & Co. KG
C: Applicable business and other legally required licence numbers and documents for example, business license no, liability insurance, any other required government inspections	Business licence: 100 291
D: Products/Activities at site, for example, garment manufacture, electricals, toys, grower	Main Business: Complete ventilation systems (service and installation)
E: Site description: (Include size, location, and age of site. Also, include structure and number of buildings)	<p>Factory have 2 locations in Lingen. One administration building with 1 floor and one production hall with 1 floor. Address of the Administration office is Im Kamp Hoog 14, 49808 Lingen, Address of the Production hall is 49808 Lingen. Buildings are located in an mixed industrial area. Facility size is 3000 sqm Land size and 1500 sqm Floor size. Both locations visited during audit.</p> <p>floors - if required this can be requested as a separate list.</p> <p>For below, please add any extra rows if appropriate. N/A</p> <p>Visible structural integrity issues (large cracks) observed and without structural engineer evaluation <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No Details: No issues no cracks</p>
F: Site function:	<input type="checkbox"/> Agent <input 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 checked="" type="checkbox"/> Service Provider

	<input type="checkbox"/> Sub-Contractor
G: Month(s) of peak season: (if applicable)	Site have no peak seasons.
H: Process overview: <i>(Include products being produced, main operations, number of production lines, main equipment used)</i>	<p>Main Business: Complete ventilation systems (service and installation)</p> <p>Production Processes Planning of ventilation systems, drawing, preparation of quotations, execution, ordering of materials, assembly, commissioning</p> <p>Working Tools 6 sheet metal working machines, 1 plate shears, 1 bending machine for tubes, 1 comb press, 1 punch, 3 spot tongs, 3 welding machines, various small tools (exact list not possible)</p>
I: What form of worker representation / union is there on site?	<input type="checkbox"/> Union <input type="checkbox"/> Worker Committee <input checked="" type="checkbox"/> Other (specify) - open door policy, hotline <input type="checkbox"/> None
J: Is there any night production work at the site?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
K: Are there any on site provided worker accommodation buildings e.g. dormitories	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No If yes approx. % of workers in on site accommodation
L: Are there any off site provided worker accommodation buildings	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No If Yes approx. % of workers
M: Were the site provided accommodation buildings included in this audit	<input type="checkbox"/> Yes <input type="checkbox"/> No N/A If No, please give details

Audit Parameters			
A: Time in and time out Follow-Up Audit 30.07.2019 A: Time in and time out	Day 1 Time in: 09:00 Day 1 Time out: 17:30 Day 1 Time in: 08:00 Day 1 Time out: 16:30	Day 2 Time in: 08:00 Day 2 Time out: 12:30	
B: Number of Auditor Days Used:	1,5 days, 1 Auditor		
C: Audit type:	<input checked="" type="checkbox"/> Full Initial <input type="checkbox"/> Periodic <input checked="" type="checkbox"/> Full Follow-up <input type="checkbox"/> Partial Follow-Up <input type="checkbox"/> Partial Other – Define		
D: Was the audit announced?	<input checked="" type="checkbox"/> Announced <input type="checkbox"/> Semi – announced: Window detail: <input type="checkbox"/> Unannounced		
E: Was the Sedex SAQ available for review?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No If No, why not		
F: Any conflicting information SAQ/Pre-Audit Info to Audit findings?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No If Yes , please capture detail in appropriate audit by clause		
G: Who signed and agreed CAPR (Name and job title)	Rene Werner, Buyer		
H: Is further information available (if Y 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: Was any previous audit reviewed during 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	Senior management
A: Present at the opening meeting?	<input checked="" type="checkbox"/> Yes Yes <input type="checkbox"/> No	<input checked="" type="checkbox"/> Yes Yes <input type="checkbox"/> No	<input checked="" type="checkbox"/> Yes Yes <input type="checkbox"/> No
B: Present at the audit?	<input checked="" type="checkbox"/> Yes Yes <input type="checkbox"/> No	<input checked="" type="checkbox"/> Yes Yes <input type="checkbox"/> No	<input checked="" type="checkbox"/> Yes Yes <input type="checkbox"/> No
C: Present at the closing meeting?	<input checked="" type="checkbox"/> Yes Yes <input type="checkbox"/> No	<input checked="" type="checkbox"/> Yes Yes <input type="checkbox"/> No	<input checked="" type="checkbox"/> Yes Yes <input type="checkbox"/> No
D: If Worker Representatives were not present please explain reasons why <i>(only complete if no worker reps present)</i>	N/A , No Workers representative at site, no relevant local law. it is a small family-run company. the employees can go directly to the owner of the company		
E: If Union Representatives were not present please explain reasons why: <i>(only complete if no union reps present)</i>	N/A No Union at site, no relevant local law.		

Worker Analysis

“ The term "migrant worker" refers to a person who is engaged or has been engaged in a remunerated activity in a country of which they are not a national and where they do not intend to remain permanently 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	28	0	11	1	0	0	0	40
Worker numbers – female	16	0	0	0	0	0	0	16
Total	44	0	11	1	0	0	0	56
Number of Workers interviewed – male	5	0	1	0	0	0	0	6
Number of Workers interviewed – female	4	0	0	0	0	0	0	4
Total – interviewed sample size	9	0	1	0	0	0	0	10

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Worker Analysis								
	Local			Migrant*			Home workers	Total
	Permanent	Temporary	Agency	Permanent	Temporary	Agency		
Worker numbers – Male	28	0	11	1	0	0	0	40
Worker numbers – female	16	0	0	0	0	0	0	16
Total	44	0	11	1	0	0	0	56

Number of Workers interviewed – male	4	0	1	0	0	0	0	5
Number of Workers interviewed – female	5	0	0	0	0	0	0	5
Total – interviewed sample size	9	0	1	0	0	0	0	10

A: Nationality of Management	German
B: Majority nationality of workers	Main countries: Country 1: Germany approx.98 % total workforce Further Countries approx. 2 % total workforce 1 Iranian
C: Worker remuneration (management information)	0 % workers on piece rate 59 % hourly paid workers 41 % salaried workers Payment cycle: 0 % daily paid 0 % weekly paid 100 % monthly paid 0 % other – please give details

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>	1 group of 4 Follow-up Audit 30.07.2019 1 group of 4 Workers
Follow-up Audit 30.07.2019	Male: 4 Female: 2
D: Number of individual interviews	Male: 4 Female: 2

(Please see SMETA Best Practice Guidance and Measurement Criteria)		
Follow-up Audit 30.07.2019		
individual interviews (Please see SMETA Best Practice Guidance and Measurement)	Male: 2	Female: 2
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 N, 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?	In general workers are happy with their work. Workers like working atmosphere	
I: What did the workers like the most about working at this site?	Workers Like: Workers like, family atmosphere	
J: Any additional comment(s) regarding interviews:	None	
K: Attitude of workers to hours worked:	Good Attitude	
L. Is there any worker survey information available?		
<input type="checkbox"/> Yes		

No

If Yes, please give details:

M: Attitude of workers:

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

Workers were open and positive towards the audit. The workers did not seem to be intimidated in their work environment. 10 workers were selected for interviews. Interviews are done in groups and individual. Interview includes employees from different work areas. All workers are happy in their work. The work environment is very good. Communication between employees and management is generally good.

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

N/A there is no workers committee, no relevant local law

O: Attitude of managers:

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

During the opening meeting, the auditor explained the audit. The overall attitude was friendly, professional and constructive. All assistance was given when requested. Management provided access to all areas and all documents requested. Conversations and discussions were open and genuine.

Audit Results by Clause

0A: Universal Rights covering UNGP

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

0.A. Guidance for Observations

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

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

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

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

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

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

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

Current Systems and Evidence Examined

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

Current systems:

the company is a small family-run business. There are values and principles. However, these values are not written down in writing, but are communicated verbally.

A company code of conduct exists, but it is not complete. The human rights part is missing. The company works a lot with larger corporations that have their own policies. These are accepted and signed as contracts.

Responsible person for implementing standards concerning Human rights Mr Hermann Lübbers, General Manager

UN Global compact and ETI base is not known by relevant manager.

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

Details:

All these documents are available.

Management Interview

Any other comments: none

<p>A: Policy statement that expresses commitment to respect human rights?</p>	<p><input checked="" type="checkbox"/> Yes <input type="checkbox"/> No Please give details: Code of Conduct.</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: Mr Hermann Lübbers, Job title General Manager</p>
<p>C: Does the businesses 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 Please give details: Open door policy- report direct to supervisor or management,</p>
<p>D: 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 Please give details: Data Protection Law</p>

Findings	
<p>Finding: Observation <input checked="" type="checkbox"/> Company NC <input type="checkbox"/></p> <p>Description of observation: It was noted that factory have principles and values, but no written policy covering human rights</p> <p>Local Law: No relevant local Law ETI requirement: 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>Recommended corrective action: It is recommended that management adopt practices and controls to ensure that they have a written policy covering human rights</p> <p>Supporting Information: Noted during document view Action by: Mr Hermann Lübbers, General Manager Timescale: 90 days Verification Method: Desktop Management accepted the findings.</p> <p>Follow-up Audit 30.07.2019</p>	<p>Objective evidence observed:</p> <p>Document view</p> <p>Document review</p>

<p>Finding: Observation <input type="checkbox"/> Company NC <input type="checkbox"/></p> <p>It was established that the factory has principles and values. These are laid down in the corporate policies as well as in the CoC.</p> <p>Local law: No relevant local law ETI request: 0.A.1 Companies should have a policy that is endorsed at the highest level and covers human rights implications and issues, and ensure that it is communicated to all appropriate parties, including their own suppliers.</p> <p>The requirement is met. Closed</p> <p>Finding: Observation <input checked="" type="checkbox"/> Company NC <input type="checkbox"/></p> <p>Description of observation: It was noted that factory have not identify their stakeholders.</p> <p>Local Law: No relevant local law ETI Requirement 0.A.3 Businesses shall identify their stakeholders and salient issues. Recommended corrective action: It is recommended that management adopt practices and controls to ensure that they identify their stakeholders</p> <p>Supporting Information: Noted during document view Action by: Mr Hermann Lübbers, General Manager Timescale: 90 days Verification Method: Desktop Management accepted the findings.</p>	<p>Documents review</p>
<p>Follow-up Audit 30.07.2019</p> <p>Finding: Observation <input checked="" type="checkbox"/> Company NC <input type="checkbox"/></p> <p>Description of observation: It was noted that factory have not identify their stakeholders.</p> <p>Local Law: No relevant local law ETI Requirement 0.A.3 Businesses shall identify their stakeholders and salient issues. Recommended corrective action: It is recommended that management adopt practices and controls to ensure that they identify their stakeholders</p> <p>The company is still conducting a stakeholder analysis to establish an appropriate stakeholder management in the company.</p> <p>Supporting Information: Noted during document view Action by: Mr Hermann Lübbers, General Manager Timescale: 90 days Verification Method: Desktop Management accepted the findings</p>	<p>Documents review</p>

Good examples observed:

Description of Good Example (GE): None observed	Objective Evidence Observed: None observed
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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)	Last year: 2018 _6	This year 1019 until February 3
B: Current % quarterly (90 days) turnover: Number of workers leaving from the first of the 90 day period through to the last day of the 90 day period / [(number of employees on the 1 st day of 90 day period + number of employees on the last day of the 90 day period) / 2]	3 employees	
C: Annual % absenteeism: Number of days lost through job absence in the year / [(number of employees on 1 st day of the year + number employees on the last day of the year / 2] * number available workdays in the year	Last year: 2018 566 days according management information	This year 1019 until February 145 days according management information
D: Quarterly (90 days) % absenteeism: Number of days lost through job absence in the period / [(Number of employees on 1 st of the period + Number of employees on the last day of the period / 2] * Number of available workdays in the month	N/A	204 days according management information
E: Are accidents recorded?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No Please describe: Accident log books are available and used in the first aid boxes. H&S manager review and collect the information in a total list for the whole company.	
F: Annual Number of work related accidents and injuries per 100 workers: [Number of work related accidents and injuries * 100] / Number of total workers]	Last year:2018 Number: 1	This year 1019 until February Number: 1
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]	N/A	1
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]	Last year: 2018 9days according management information	This year 1019 until February 48 days according management information
I: % of workers that work on average more than 48 standard hours / week in the last 6 / 12 months:	6 months 0 workers	12 months 0% workers
J: % of workers that work on average more than 60 total hours / week in the last 6 / 12 months:	6 months 0% workers	12 months 0% workers

0B: Management system and Code Implementation

[\(click here to return to NC Table\)](#)

- 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:

the company is a small family-run business. There are values and principles. However, these values are not written down in writing, but are communicated verbally.
 A company code of conduct exists, but it is not complete. The human rights part is missing. The company works a lot with larger corporations that have their own policies. These are accepted and signed as contracts.
 Responsible person for implementing standards concerning Human rights Mr Hermann Lübbers, General Manager
 Open door policy- report direct to supervisor or management

All these documents are available.

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

Details: All above documents are available and checked.

Any other comments: None

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 Please describe: No Subjects all according the local law.</p>
<p>B: Do policies and/or procedures exist that reduce the risk of forced labour, child labour, discrimination, harassment & abuse?</p>	<p><input checked="" type="checkbox"/> Yes <input type="checkbox"/> No Please describe principles and values exist .</p>
<p>C: If Yes, is there evidence (an indication) of effective implementation? Please give details.</p>	<p>No Child labour, no discrimination, no harassment, and no abuses.</p>

D: Have managers and workers received training in the standards for forced labour, child labour, discrimination, harassment & abuse?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No Please describe: Verbal training
E: If Yes, is there evidence (an indication) that training has been effective e.g. training records etc.? Please give details	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No Please describe: Management interview
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).	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No Please describe: SCC certificate No 95756 valid until 03 june 2020
G: Is there a Human Resources manager/department? If Yes, please detail.	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No Please describe: Mrs Lübbers, General Manager
H: Is there a senior person /manager responsible for implementation of the Code	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No Please describe: Responsible Mr Hermann Lübbers , General Manager
I: Is there a policy to ensure all worker information is confidential	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No Please describe: Data Protection Law
J: Is there an effective procedure to ensure confidential information is kept confidential	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No Please describe: Data Protection Law
K: Are risk assessments conducted to evaluate policy and procedure effectiveness?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No Details: Risk Assessment last was done 2017
L: Does the facility have a process to address issues found when conducting risk assessments, including implementation of controls to reduce identified risks?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No Details: Risk Assessment last was done 2017
M: Does the facility have a policy/code which require labour standards of its own suppliers?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No Details: Supplier Code of Conduct is in place , but not complete
Land rights	
N: Does the site have all required land rights licenses and permissions (see SMETA Measurement Criteria)?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No Details: Building permit, commercial permit

O: Does the site have systems in place to conduct legal due diligence to recognize and apply national laws and practices relating to land title	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No Details: Local Law
P: Does the site have a written policy and procedures specific to land rights. If yes, does it include any due diligence the company will undertake to obtain free, prior and informed consent, (FPIC) even if national/local law does not require it	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No If yes, how does the company obtain FPIC:
Q: Is there evidence that facility site compensated the owner/lessor for the land prior to the facility being built or expanded. Please give details.	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No Details: No Evidence found
R. Does the Facility demonstrate that alternatives to a specific land acquisition were considered to avoid or minimize adverse impacts Please give details.	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No Details: No Evidence found
S: Is There any evidence of illegal appropriation of land for facility building or expansion of footprint.	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No Details: no evidence

Non-compliance:	
<p>1. Description of non-compliance: : It was noted that factory have value and principles but no written social compliance policy covering all ethical standards <input checked="" type="checkbox"/> NC against ETI/Additional Elements <input type="checkbox"/> NC against Local Law <input type="checkbox"/> NC against customer code:</p> <p>Legal Requirement: none</p> <p>ETI requirement: O.B 1 Wether the site has a social compliance /ethical trade policy and written procedures which meet the Code and International Labour Standards</p> <p>Recommended Corrective Action: it is recommended that management adopt practices and controls to ensure that written social compliance policy is available.</p> <p>Supporting Information: Noted during document view Action by: Mr Hermann Lübbers, General Manager Timescale: 90 days Verification Method: Desktop Management accepted the findings.</p>	<p>Objective evidence observed: Noted during employee interview and document view</p>

Follow-Up Audit 30.07.2019

1. Description of non-compliance:

The factory has its own and universal value and principles. These are included written in the Social Compliance Policy and thus are covering all ethical standards.

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

ETI requirement:

O.B 1

Whether the site has a social compliance /ethical trade policy and written procedures which meet the Code and International Labour Standards

Management has drawn up a Code of Conduct since the last audit. This contains the values, principles and ethical standards that apply to the company.

2. Description of non-compliance: : It was noted that the code of Conduct is not communicated to the employees

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

Local Law: No relevant local law

ETI Requirement

O.B.4 Suppliers are expected to communicate this Code to all employees.

Recommended corrective action:

It is recommended that management adopt practices and controls to ensure that Code is communicated to the employees

Supporting Information: Noted during document view and interview

Action by: Mr Hermann Lübbers, General Manager

Timescale: 90 days

Verification Method: Desktop

Management accepted the findings.

Follow-Up Audit 30.07.2019

2. Description of non-compliance:

The Code of Conduct is posted in several places throughout the company (bulletin board) and is accessible to all employees.

Employees were also instructed on the meaning and content of the Code of Conduct

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

Local Law: No relevant local law

ETI Requirement

O.B.4 Suppliers are expected to communicate this Code to all employees.

Recommended corrective action:

It is recommended that management adopt practices and controls to ensure that Code is communicated to the employees.

Verification through inspection of the Code of Conduct. Closed

Noted during employee interview

Verification:
 During the inspection of the company several times seen on the black boards.
 Closed

Verification:
 The instruction was confirmed in the interviews with the employees.
 Closed

<p>The Code of Conduct is posted in several places throughout the company (bulletin board) and is accessible to all employees.</p> <p>Employees were also instructed on the meaning and content of the Code of Conduct.</p> <p>3. Description of non-compliance: It was noted that the code of Conduct is not communicated to their supply chain</p> <p><input checked="" type="checkbox"/> NC against ETI/Additional Elements <input type="checkbox"/> NC against Local Law <input type="checkbox"/> NC against customer code:</p> <p>Local Law: No relevant local law ETI Requirement 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. Recommended corrective action: It is recommended that management adopt practices and controls to ensure that Code is communicated to their supply chain</p> <p>Supporting Information: Noted during document view Action by: Mr Hermann Lübbers, General Manager Timescale: 90 days Verification Method: Desktop Management accepted the findings.</p> <p>Follow-Up Audit 30.07.2019 3. Description of non-compliance: It was noted that the code of Conduct is not communicated to their supply chain</p> <p><input checked="" type="checkbox"/> NC against ETI/Additional Elements <input type="checkbox"/> NC against Local Law <input type="checkbox"/> NC against customer code:</p> <p>Local Law: No relevant local law ETI Requirement 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.</p> <p>It is recommended that management adopt practices and controls to ensure that Code is communicated to their supply chain.</p> <p>Supporting Information: Noted during document view Action by: Mr Hermann Lübbers, General Manager Timescale: 90 days Verification Method: Desktop Management accepted the findings.</p>	<p>Noted during document view</p> <p>Documents review</p>
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Observation:	
Description of observation: None observed Local law or ETI requirement: Comments: None	Objective evidence observed: None observed

Good Examples observed:	
Description of Good Example (GE): SCC Certification No 95756 valid until 03 June 2020	Objective evidence observed: Documents review

1: Freely Chosen Employment
[\(Click here to return to NC-table\)](#)

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:

All employees have chosen to be employed at this facility on their own free will. There are no requirements to lodge deposits or leave identity papers with the employer. Length of "notice of leaving employment" is stated in the individual contracts. Exits are not locked and employees are free to leave the company at any time.

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

Details: Employees' and management interviews and documents review, and facility tour.

Any other comments: None

<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 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 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 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 Please describe finding:</p>
<p>E: If any part of the business is UK based / registered & turnover is 36m+ there is a requirement to publish a 'modern day slavery statement.</p>	<p><input type="checkbox"/> Yes <input checked="" type="checkbox"/> No Please describe finding:</p>

<p>F: Is there a modern day slavery statement published</p>	<p><input type="checkbox"/> Not applicable</p>
<p>G: Is there evidence of any restrictions on workers' freedoms to leave the site at the end of the work day</p>	<p><input type="checkbox"/> Yes <input checked="" type="checkbox"/> No Please describe finding:</p>
<p>H: Does the site understand the risks of forced / trafficked / bonded labour in it's supply chain</p>	<p><input type="checkbox"/> Yes <input type="checkbox"/> No If yes please give details and category of workers affected:</p> <p><input checked="" type="checkbox"/> Not applicable</p>
<p>I: Is the site taking any steps taking to reduce the risk of forced / trafficked labour?</p>	<p><input type="checkbox"/> Yes <input type="checkbox"/> No <input checked="" type="checkbox"/> Not applicable Please describe finding:</p>

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

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

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

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

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

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:

There is no union or workers committee at site.
 There is no legal requirement in Germany to have or to be a member of a union or workers committee on site.
 All Employees are able to join a union of their choice. The workers have access to the management level through an open door policy. This policy is well known. All concerned are happy with this arrangement.
 There is non-discrimination towards union members.

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

Details: Employees interviews, documents review and management interview.

Any other comments: None

A: 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) open door policy <input type="checkbox"/> None
B: Is it a legal requirement to have a union?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
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	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No Describe: Open Door Policy, report direct to supervisor or management,

than union/worker committee) e.g. H&S, sexual harassment	Is there evidence of free elections? <input type="checkbox"/> Yes <input type="checkbox"/> No N/A	
E: Does the supplier provide adequate facilities to allow the Union or committee to conduct related business?	<input type="checkbox"/> Yes <input type="checkbox"/> No N/A Details: Separate Rooms are provided.	
F: Name of union and union representative, if applicable:	No Union at site – no relevant local law	Is there evidence of free elections? <input type="checkbox"/> Yes <input type="checkbox"/> No <input checked="" type="checkbox"/> N/A
G: If no union what is parallel means of consultation with workers e.g. worker committees?	No workers committee at site	Is there evidence of free elections? <input type="checkbox"/> Yes <input type="checkbox"/> No <input checked="" type="checkbox"/> N/A
H: Are all workers aware of who their representatives are?	<input type="checkbox"/> Yes <input type="checkbox"/> No <input checked="" type="checkbox"/> N/A	N/A
I: Were worker representatives freely elected?	<input type="checkbox"/> Yes <input type="checkbox"/> No <input checked="" type="checkbox"/> N/A	N/A
J: Do workers know what topics can be raised with their representatives?	<input type="checkbox"/> Yes <input type="checkbox"/> No <input checked="" type="checkbox"/> N/A	N/A
K: Were worker representatives/union representatives interviewed	<input type="checkbox"/> Yes <input type="checkbox"/> No <input checked="" type="checkbox"/> N/A If Yes , please state how many: N/A	
L: State any evidence that union/worker's committee is effective? <i>Specify date of last meeting; topics covered; how minutes were communicated etc.</i>	N/A	
M: Are any workers covered by Collective Bargaining Agreement (CBA)	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	
N: If Yes what percentage by trade Union/worker representation	<u>0</u> % workers covered by Union CBA	<u>0</u> % workers covered by worker rep CBA
O: If Yes , does the Collective Bargaining Agreement (CBA) include rates of pay	<input type="checkbox"/> Yes <input type="checkbox"/> No N/A	

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

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

Good Examples observed:	
<p>Description of Good Example (GE): None observed</p>	<p>Objective evidence observed:</p> <p>None observed</p>

3: Working Conditions are Safe and Hygienic

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

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

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:

The H&S team exists. H&S Meetings done regular 4 time a year. Last was done 04.03.2019
 H& S training for all employees are done regular once a year. Last training was done 21.01.2019
 First Aider are available und trained regular. Factory have 27 First Aider and 2 Evacuation assistants. All trained regular. First Aid Kits available and stock.
 In addition, fire protection equipment is available and tested. The factory has a total of 37 fire extinguishers . The inspection is carried out in accordance with local laws - the inspection must be carried out every two years. Next inspection is planned for 04/ 2019. The fire alarm system is installed.
 Risk assessment for the workplace was carried out. Documentation available, For H&S factory have an external consultant Mr Schäfer, company PdW

Accidents are recorded. 6 accidents in 2018.

Medical service and doctor room available

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

- Details: Factory tour.
- Safety and training records
- Employees' interviews
- Management interview
- Training records and certifications
- Fire Equipment maintenance records
- Trained first Aider register
- Trained Fire protection Team register
- Accident reports

Any other comments:

<p>A: Does the facility have general Health & Safety and occupational Health & 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 Details: H&S Committee available, also H&S Policy, documented –</p>
<p>B: Are the policies included in worker's manual?</p>	<p><input checked="" type="checkbox"/> Yes <input type="checkbox"/> No Details: All policies available</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 Details: None</p>
<p>D: Are visitors to the site informed on H&S and provided with personal protective equipment</p>	<p><input checked="" type="checkbox"/> Yes <input type="checkbox"/> No Details: All visitors informed on H&S , and PPE</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 checked="" type="checkbox"/> Yes <input type="checkbox"/> No Details: Room meet legal requirements</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 Details: Easy Access to Doctor and first Aider</p>
<p>G: Where facility provides worker transport - it is fit for purpose, safe and maintained and operated by competent persons e.g. buses and other vehicles</p>	<p><input type="checkbox"/> Yes <input checked="" type="checkbox"/> No Details: N/A</p>
<p>H: Secure personal storage space is provided for workers in their living space and is fit for purpose</p>	<p><input type="checkbox"/> Yes <input type="checkbox"/> No N/A Details: N/A</p>
<p>I: H&S Risk assessments are conducted (including evaluating the arrangements for workers doing overtime e.g. driving</p>	<p><input checked="" type="checkbox"/> Yes <input type="checkbox"/> No Details: Assessments are done.</p>

after a long shift) and there are controls to reduce identified risk	
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 Please describe: All permits are available. The waste and resources are disposed of by authorizing companies.
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 Please describe Environmental standards are known and are observed.

Non-compliance:

1. Description of Non-Compliance:

It was noted that no evacuation drills are not performed once a year for all shifts and areas.

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

Local law and/:

Legal Requirement Recommended: Local Law: ArbStättV (Workplace Ordinance) §4: (4)/ ArbSchG §10) ArbSchG §10 The employer must take the measures necessary for first aid, fire-fighting and evacuation of the employees in accordance with the nature of the workplace and the activities as well as the number of employees.

or ETI requirement

3.2

Workers shall receive regular and recorded Health & Safety training and such training shall be repeated for new or reassigned workers

Recommended corrective action:

It is recommended that management adopt practices and controls to ensure that Fire Drills are done regular once a year for all shifts and areas

Supporting Information: Noted during document view

Action by: Mr Hermann Lübbers, General Manager

Timescale: 90 days

Verification Method: Desktop

Management accepted the findings.

Follow-Up Audit 30.07.201

1. Description of Non-Compliance:

It was noted that no evacuation drills are not performed once a year for all shifts and areas.

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

Objective evidence observed:

Noted during document view

Objective evidence observed:

Noted during document view

Local law and/:

Legal Requirement Recommended: Local Law: ArbStättV (Workplace Ordinance) §4: (4)/ ArbSchG §10) ArbSchG §10 The employer must take the measures necessary for first aid, fire-fighting and evacuation of the employees in accordance with the nature of the workplace and the activities as well as the number of employees.

or ETI requirement
3.2

Workers shall receive regular and recorded Health & Safety training and such training shall be repeated for new or reassigned workers

Recommended corrective action:

It is recommended that management adopt practices and controls to ensure that Fire Drills are done regular once a year for all shifts and areas

Supporting Information: Noted during document view

Action by: Mr Hermann Lübbers, General Manager

Timescale: 90 days

Verification Method: Desktop

Management accepted the findings

2 Description of Non-Compliance:

It was noted that evacuation plans are missing in all areas.

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

Local law

According to ArbStättV (Workplace Ordinance) §4: (4) and Abschnitt 9 der ASR A2.3 The employer shall draw up an escape and rescue plan if the location, extension and nature of the workplace render this necessary. The plan must be laid out or displayed at suitable points in the workplace. Exercises according to this plan must be carried out at reasonable intervals.

ETI requirement:

3.1

A safe and hygienic working environment shall be provided, bearing in mind the prevailing knowledge of the industry and of any specific hazards. Adequate steps shall be taken to prevent accidents and injury to health arising out of, associated with, or occurring in the course of work, by minimizing, so far as is reasonably practicable, the causes of hazards inherent in the working environment.

Recommended corrective action:

It is recommended that management adopt practices and controls to ensure that evacuation plans are signposted

Supporting Information: Noted during document view and factory tour

Action by: Mr Hermann Lübbers, General Manager

Timescale: 90 days

Verification Method: Desktop

Management accepted the findings.

Noted during factory tour and document view

<p>Follow-Up Audit 30.07.2019 2 Description of Non-Compliance:</p> <p><input type="checkbox"/> NC against ETI <input type="checkbox"/> NC against Local Law <input type="checkbox"/> NC against customer code:</p> <p>During the inspection it was determined that evacuation plans were hung in 5 places in the company.</p>	<p>Verification: personal inspection Closed</p>
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Observation:	
<p>Description of observation: None observed</p> <p>Local law or ETI requirement:</p> <p>Comments:</p>	<p>Objective evidence observed: None observed</p>

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

4: Child Labour Shall Not Be Used
[\(Click here to return to NC-table\)](#)
[\(Click here to return to Key Information\)](#)

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:

Employees' interviews indicate that there are no children working at this facility. Company values and principles forbids child labour. No other evidence was found to show that under age individuals have been working at this facility.

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

Details:

Employees' interviews, documents review, and management interview.

Any other comments: None

A: Legal age of employment	15 years old
B: Age of youngest worker found:	Confidential
C: Children present on workforce but not working at 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: Workers under 18 subject to hazardous work assignments? (Go to clause 3 – Health and Safety)	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No If Y give details

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

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

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

5: Living Wages are Paid

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

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

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:

The minimum wage is 9.19 €/hours according to local law.

Wages were calculated by monthly rate for all workers. All workers are provided with written and understandable information about their employment conditions (employment contract) Wages are paid on time. All employees will receive a pay slip understandable. The wage has been checked and found no inconsistencies.

All statutory deductions have been calculated (payroll taxes, health insurance, pension insurance, unemployment insurance and solidarity surcharge).

The management did not permit wage elements in the report indicated.

Time period from March 2018 till February 2019 verified and checked.

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

Details:

- Documents review
- Workers' interviews
- Payroll records from 10 records checked February 2019 current, 10 records checked January 2019 , 10 records checked March 2018 random

Any other comments: None

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

Observation:	
<p>Description of observation: None observed</p> <p>Local law or ETI requirement:</p> <p>Comments: None</p>	<p>Objective Evidence Observed:</p> <p>None observed</p>

Good Examples observed:	
<p>Description of Good Example (GE): None observed</p>	<p>Objective Evidence Observed:</p> <p>None observed</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?
<p>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></p>	<p>Legal maximum: Legal maximum: 8 hours per day, 48 hours per week, According to ArbZG (Work Time Law) §3: Shift length is maximum eight hours. Shift length can be extended up to ten hours if compensation is organised within 6 month.</p>	<p>8 hours per day, 40 hours per week , 173,5 h hours a months</p>	<p><input type="checkbox"/> Yes <input checked="" type="checkbox"/> No</p>
<p>B: Overtime hours: <i>(Maximum legal and actual overtime hours, please state if possible per day, week, and month)</i></p>	<p>Legal maximum: In accordance with the ArbZG (Work Time Law), the daily working time must not exceed eight hours. It can be extended to ten hours per day if the daily average of eight hours is not exceeded in a period of six calendar months or 24 weeks.</p>	<p>3 hours per day in February 2019</p>	<p><input type="checkbox"/> Yes <input checked="" type="checkbox"/> No</p>
<p>D: wage for standard/contracted hours: <i>(Minimum legal and actual minimum wage at site, please state if possible per hr, day, week, and month)</i></p>	<p>9.19 € per hour local law</p>	<p>9.19 € per hour local law</p>	<p><input type="checkbox"/> Yes <input checked="" type="checkbox"/> No</p>

<p>E: overtime wage: (Minimum legal and actual minimum overtime wage at site, please state if possible per hr, day, week, and month)</p>	<p>Legal minimum: 0% of normal wage rate for weekday overtime, 0% of normal wage rate for weekend overtime and 0% of normal wage rate for statutory holiday overtime.</p>	<p>Between 100 % - 150 % payment for overtime acc. To local law</p>	<p><input type="checkbox"/> Yes <input checked="" type="checkbox"/> No</p>
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<p>Wages analysis: (Click here to return to Key Information)</p>		
<p>A: Were accurate records shown at the first request?</p>	<p><input checked="" type="checkbox"/> Yes <input type="checkbox"/> No</p>	
<p>B: If No, why not?</p>		
<p>C: 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)</p>	<p>10 records checked February 2019 current 10 records checked January 2019 random 10 records checked March 2018 random</p>	
<p>D: Are there different legal minimum wage grades? If Yes, please specify all.</p>	<p><input type="checkbox"/> Yes <input checked="" type="checkbox"/> No If Yes, please give details:</p>	
<p>E: If there are different legal minimum grades, are all workers graded and paid correctly?</p>	<p><input type="checkbox"/> Yes <input type="checkbox"/> No <input checked="" type="checkbox"/> N/A If No, please give details:</p>	
<p>F: For the lowest paid production workers, are wages paid for standard/contracted hours (excluding overtime) below or above the legal minimum?</p>	<p>Lowest Wages found: Note: full time employees and please state hour / week / month etc.</p> <p>Please indicate the breakdown of workforce per earnings:</p> <p><input type="checkbox"/> Below legal min <input type="checkbox"/> Meet <input checked="" type="checkbox"/> Above</p> <p>___% of workforce earning under min wage ___% of workforce earning min wage 100 % of workforce earning above min wage</p>	

G: Bonus (amount specify)	Bonus Scheme found: Note Holiday and Christ Mas Bonus
H: What deductions are required by law e.g. social insurance? Please state all types:	State taxes, social and solidarity deductions, medical insurance
I: Have these deductions been made? Please list all deductions that have/have not been made.	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No If No, please describe
J: Were appropriate records available to verify hours of work and wages?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
K: Were any inconsistencies found? (if yes describe nature)	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No <input type="checkbox"/> Poor record keeping <input type="checkbox"/> Isolated incident <input type="checkbox"/> Repeated occurrence:
L: Do records reflect all time worked? (For instance, are workers asked to attend meetings before or after work but not paid for their time)	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No Details: All time worked are paid.
M: Is there a defined living wage: <i>This is not normally minimum legal wage. If answered Yes, please state amount and source of info: Please see SMETA Best Practice Guidance and Measurement Criteria.</i>	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No Please specify amount/time:
If yes, what was the calculation method used.	<input type="checkbox"/> ISEAL/Anker Benchmarks <input type="checkbox"/> Asia Floor Wage <input type="checkbox"/> Figures provided by Unions <input type="checkbox"/> Living Wage Foundation UK <input type="checkbox"/> Fair Wear Wage Ladder <input type="checkbox"/> Fairtrade Foundation Other – please give details:
N: Are there periodic reviews of wages? If Yes give details (include whether there is consideration to basic needs of workers plus discretionary income).	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No Details: German government (tax authorities)
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 Details: Through factory rules review, payroll records review and employees' interviews, it was confirmed that equal rates are being paid for equal work.

Q: How are workers paid:

- Cash
- Cheque
- Bank Transfer
- Other

If other explain:

6: Working Hours are not Excessive
[\(Click here to return to NC-table\)](#)
[\(Click here to return to Key Information\)](#)

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:

The factory has different working models. Each employee has a contract for 40 hours a week. 8 hours a day from Monday to Friday. Break is 30 - 45 minutes. The working hours are recorded electronically. Everyone has their time card. For the fitters who work on the construction site, their hours are recorded manually. The working hours on the construction site depend on the working hours of the customers. The working hours in the office are flexible depending on the department. The office is staffed from 6:45 to 18:30. Overtime is voluntary and paid according to the local law Calculation of Overtime hours can be compensated by payment or leisure time. Payment done monthly via bank transfer. Payment done always in time. Workers get a receipt to check the working hours and payment.

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

Details:

Documents review, employees' and management interviews.

Any other comments: None

Non-compliance:

Description of Non-Compliance:

It was noted that 2 out of 10 workers (fitters on construction sites) have extend working hours. the Normal daily hours exceeds 10 hours per day February 2019 (2 Workers in total 6 days) , March 2019 (2 Workers 5 days) according to data protection law it is not allowed to list the times individually

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

Local law and/:

Legal Requirement Recommended: ArbZG (Work Time Law) §3: Shift length is maximum eight hours. Shift length can be extended up to ten hours if compensation is organised within 6 month legal. The Daily Working time must not exceed 10 hours

ETI requirement

6.1 Working hours must comply with national laws, collective agreements, and the provision of 6.2–6.6 below, whichever affords the greater protection for workers.

Sub clauses 6.2 – 6.6 are based on International Labour standards.

Recommended corrective action:

It is recommended that management adopt practices and controls to ensure that daily working time must not exceed 10 hours

Supporting Information: Noted during document view

Action by: Mr Hermann Lübbers, General Manager

Timescale: 90 days

Verification Method: Follow up

Management accepted the findings.

Follow-Up Audit 30.07.201

Description of Non-Compliance:

In today's audit:

10 employees in July 2018,

10 employees in February 2019 and

10 employees in June 2019

View and check the time recording documents.

During today's audit, no violations of the Working Hours Act could be detected

Objective evidence observed:

During document view

Verification:

Time recording

documents were

viewed and checked

by 10 employees

Closed

<input type="checkbox"/> NC against ETI <input type="checkbox"/> NC against Local Law <input type="checkbox"/> NC against customer code: The company has an operating instruction from the management according to which the working time of 10 hours per day may not be exceeded.	
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Observation:	
Description of observation: None observed	Objective evidence observed: None observed

Good Examples observed:	
Description of Good Example (GE): None observed	Objective Evidence Observed: None observed

Working hours' analysis				
<i>Please include time e.g. hour/week/month</i> (Go back to Key information)				
Systems & Processes				
A. What timekeeping systems are used: time card etc.	Electronic time record system			
B: Is sample size same as in wages section	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <i>If N, please give details</i>			
C: Are standard/contracted working hours defined in all contracts/employment agreements?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	<i>If NO, please give details including % and which type of workers do NOT have standard hours defined in contracts/employment agreements.</i> Details		
D: Are there any other types of contracts/employment agreements used?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	<i>If YES, please complete as appropriate:</i>		
		<input type="checkbox"/> 0 hrs	<input type="checkbox"/> Part time	<input type="checkbox"/> Variable hrs

		If "Other", Please define:
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	If Y please %detail hours, % and types of workers & affected and frequency Details:
F: Are workers provided with at least 1 day off in every 7-day-period, or 2 in 14-day-period (where the law allows)?	Please select all applicable: <input checked="" type="checkbox"/> 1 in 7 days <input type="checkbox"/> 2 in 14 days <input type="checkbox"/> No N/A If 'No', please explain:	Is this allowed by local law? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
	Maximum number of days worked without a day off (in sample):	
	5 days is normal work week. 2 days off	
Standard/Contracted Hours worked		
G: Standard working hours over 48 per week found	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	If yes, % of workers & frequency
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	If YES, please give details
Overtime Hours worked		
I: Actual overtime hours worked in sample (State per day/week/month)	Highest OT hours:	3 hours per day in February 2019
J: Combined hours (standard/contracted plus= total) 60 found?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	
K: Approximate percentage of total	_0%	

workers on highest overtime hours		
L: Is overtime voluntary?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> Conflicting Information	<i>Please detail evidence e.g. Wording of contract/employment agreement/handbook/worker interviews/refusal arrangements:</i> Workers interview, Contract,
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	<i>Please give details of normal day overtime premium as a % of standard wages:</i> 100 % -150 acc. Local law
N: Is overtime paid at a premium?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	<i>If yes, please describe % of workers & frequency:</i> 100 % -150 acc. To local law.
O: ETI Code requires a prevailing standard to give greatest worker protection. If a site pays less than 125% OT premium and this is allowed under local law, are there other considerations? Please complete the boxes where relevant. Multi select is possible.	<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 checked="" type="checkbox"/> Other local law	
	Please explain any checked boxes above e.g. detail of consolidated pay CBA or Other	
	Over time paid according to the local law	
P: If more than 60 total hours per week and this is legally allowed, are there other considerations? Please complete the boxes where relevant. Multi select is possible.	<input type="checkbox"/> Overtime is voluntary <input type="checkbox"/> Onsite Collective bargaining allows 60+ hours/week <input type="checkbox"/> Safeguards are in place to protect worker's health and safety <input type="checkbox"/> Site can demonstrate exceptional circumstances <input type="checkbox"/> Other reasons (please specify)	
	Please explain any checked boxes above	
	Total hours per week less than 60 hours.	
Q: Is there evidence that overtime hours are being used for extended periods to make up for labour shortages or	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No If yes, please describe	

increased order volumes?	
R: If sufficient workers cannot be hired, are new working time arrangements explored to ensure that overtime is the exception rather than the rule.	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No

7: No Discrimination is Practiced
[\(Click here to return to NC-table\)](#)

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:

Discrimination is forbidden as per the local law and factory principles and values .A code of conduct exist. Employees' and management interviews indicate that there are no cases of discrimination at this facility.

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

Details:

Employees' and management interviews, and documents review.

Any other comments: None

A: Gender breakdown of Management + Supervisors (Include as one combined group)	Male: 100__ % Female__0_ %
B: Number of women who are in skilled or technical roles e.g. where specific qualifications are needed i.e. machine engineer / laboratory analyst	#: No information
C: Is there any evidence of discrimination based on race, caste, national origin, religion, age, disability, gender, marital status, sexual orientation, union membership or political affiliation?:	<input type="checkbox"/> Hiring <input type="checkbox"/> Compensation <input type="checkbox"/> access to training <input type="checkbox"/> promotion <input type="checkbox"/> termination or retirement N/A

Professional Development

A: What type of training and development are available for workers?	Workers get training for all relevant issues. It is dependent from the work. Supervisors get also training in employee management.
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B: Are HR decisions on 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:	
<p>1. Description of non-compliance: None observed</p> <p> <input type="checkbox"/> NC against ETI <input type="checkbox"/> NC against Local Law <input type="checkbox"/> NC against customer code: </p> <p>Local law and/or ETI requirement:</p> <p>Recommended corrective action:</p>	<p>Objective evidence observed: None observed</p>

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

Good Examples observed:	
Description of Good Example (GE): None observed	Objective Evidence Observed: None observed

<p>8: Regular Employment Is Provided (Click here to return to NC-table) (Click here to return to Key Information)</p>
<p>ETI</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. 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.</p> <p style="text-align: center;">Additional Elements: Responsible Recruitment</p> <p>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>Current Systems and Evidence Examined <i>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.</i></p>
<p>Current systems:</p> <p>All employees have a legally binding employment contract which has been signed by a management representative and the employee. The use of labour only contracting, or home working arrangements is avoided.</p> <p>Evidence examined – to support system description (Documents examined & relevant comments. Include renewal/expiry date where appropriate):</p> <p>Details:</p> <p>Employees' and management interviews, and documents review.</p> <p>Any other comments: None</p>

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

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

Good Examples observed:	
<p>Description of Good Example (GE): None observed</p>	<p>Objective Evidence Observed: None observed</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 & Conditions presented <input checked="" type="checkbox"/> Understood by workers <input checked="" type="checkbox"/> Same as actual conditions</p> <p>If any are unchecked, please describe finding and specific category(ies) of workers affected:</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 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</p>
<p>C: If any checked, give details:</p>	<p>N/A</p>

<p>Migrant Workers: <i>The term "migrant worker" refers to a person who is engaged or has been engaged in a remunerated activity in a country of which they are not a national and where they do not intend to remain permanently 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>1 Iranian</p>	
<p>B: Migrant worker recruitment</p>	<p>- Public employment services</p>	
<p>C: Migrant workers' voluntary deductions (such as for remittances) confirmed in writing by the worker and evidence of transaction is supplied by the facility to the worker.</p>	<p><input type="checkbox"/> Yes <input type="checkbox"/> No <input checked="" type="checkbox"/> N/A Please describe finding:</p>	<p>Observations</p>
<p>D: Are Any migrant workers in skilled, technical, or management roles</p>	<p><input type="checkbox"/> Yes <input type="checkbox"/> No N/A If Yes number and example of roles</p>	

Migrant Workers (this should include all migrant workers including permanent workers, temporary and/or seasonal workers)	
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NON-EMPLOYEE WORKERS

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

Agency Workers (if applicable)	
<i>(Workers sourced from a local agent who are not directly paid by the site, but paid by the agency, Usually the agencies are paid by the site and the wages of the individual workers are paid by the agency.)</i>	
A: Number of agencies used (average):	3 Agencies used , Thor Industriemontagen GmbH Opera Personalservice GmbH Rehnelt Zeitarbeit GmbH
B: Were agency workers' age/pay/hours included within scope of this audit	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No N/A

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

Contractors:	
<i>Note: contractors in this context are generally individuals who supply several workers to a site. Usually the contractors are paid by the site and the wages of the workers are paid by the contractor. Common terms include, gang bosses, labor provider,</i>	
A: Any contractors on site?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No Please describe finding:
B: If Yes , how many workers supplied by contractors	N/A
C: Do all contractor workers understand their terms of employment?	<input type="checkbox"/> Yes <input type="checkbox"/> No N/A Please describe finding: N / A
D: If Yes , please give evidence for contractor workers being paid per law:	N/A

8A: Sub-Contracting and Homeworking

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

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

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 subcontracting and no homeworking was found during the audit

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

Details:

Non-compliance:

1. Description of non-compliance: None observed

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

**Objective evidence observed:
None observed**

Local law and/or ETI /Additional Elements requirement:

Recommended corrective action:

Observation:	
Description of observation: None observed Local law or ETI/Additional elements requirement: Comments:	Objective evidence observed: None observed

Good Examples observed:	
Description of Good Example (GE): None observed	Objective Evidence Observed: None observed

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

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

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

ETI

9.1 Physical abuse or discipline, the threat of physical abuse, sexual or other harassment and verbal abuse or other forms of intimidation shall be prohibited.

Additional elements:

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

<p>A: Are there published, anonymous and/or open channels available for reporting any violations of Labour standards and H&S or any other grievances to a 3rd party?</p>	<p><input checked="" type="checkbox"/> Yes <input type="checkbox"/> No Please describe: Open door policy- report direct to supervisor or management,</p>
<p>B: If Yes, are workers aware of these channels and have access? Please give details.</p>	<p>Yes, workers know</p>
<p>C: If yes, what type of mechanism is used e.g. hotline, whistle blowing mechanism, comment box etc. Please give details.</p>	<p>Open door policy, verbal communication, and direct report to management,</p>
<p>D: Is there a grievance mechanism in place for:</p>	<p><input type="checkbox"/> Workers <input type="checkbox"/> Communities <input type="checkbox"/> Suppliers <input checked="" type="checkbox"/> Other Details: Open door policy- report direct to supervisor or management,</p>
<p>E: Are there any open disputes?</p>	<p><input type="checkbox"/> Yes <input checked="" type="checkbox"/> No If yes, please give details</p>
<p>F: Does grievance mechanism meet with UNGP requirement of e.g. (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 If no, please give details</p>
<p>G: Does the site \ encourage its business partners (e.g., suppliers) provide individuals and communities with access to effective grievance mechanisms (e.g., help lines or whistle blowing mechanism</p>	<p><input checked="" type="checkbox"/> Yes <input type="checkbox"/> No If No Please give details</p>
<p>H: Is there a published and transparent disciplinary procedure</p>	<p><input checked="" type="checkbox"/> Yes <input type="checkbox"/> No If No please explain</p>

<p>I: If yes, are workers aware of these the disciplinary procedure</p>	<p><input checked="" type="checkbox"/> Yes <input type="checkbox"/> No If no please give details</p>
<p>J: 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 If Yes please give details</p>

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

Current systems:

All employees have a legally binding employment contract which has been signed by a management representative and the employee. The use of labour only contracting, or home working arrangements is avoided.

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

Details: Employees' and management interviews, and documents review.

Any other comments: None

Non-compliance:

<p>Description of Non-Compliance It was noted that The company has no access to confidential complaint proceedings.</p> <p><input checked="" type="checkbox"/> NC against ETI <input type="checkbox"/> NC against Local Law <input type="checkbox"/> NC against customer code:</p> <p>Legal Requirement Recommended : No local law ETI Code 9.2 Companies should provide access to a confidential grievance mechanism for all workers. Recommended corrective action: it is recommended that management adopt practices and controls to ensure that that all employees have access to confidential complaint proceedings. Supporting Information: Noted during document view Action by: Mr Hermann Lübbers, General Manager Timescale: 90 days Verification Method: Desktop</p>	<p>Objective evidence observed: Noted during workers interview and document view</p>
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<p>Management accepted the findings.</p> <p>Follow-Up Audit 30.07.201 Description of Non-Compliance:</p>	
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Observation:	
<p>Description of observation: None observed</p> <p>Local law or ETI requirement:</p> <p>Comments:</p> <p>None</p>	<p>Objective evidence observed:</p> <p>None observed</p>

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

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:

Management interview indicate that employees must have provided proof of their right to work and if necessary, immigration permit and work permits before commencing employment. Copies are made and held in the personnel files. All Employees are in possession of their original passports.

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

Details:

Management interviews, personal documents.

Any other comments: None

Non-compliance:

1. Description of non-compliance: None observed

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

Local law and/or ETI /Additional Elements requirement:

Recommended corrective action:

**Objective evidence observed:
None observed**

Observation:	
Description of observation: None observed Local law or ETI/Additional Elements requirement: Comments: None	Objective evidence observed: None observed

Good examples observed:	
Description of Good Example (GE): None observed	Objective Evidence Observed: None observed

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

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

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:

All relevant facts like Electricity, Water Volume, waste produced will be collected. Waste is separated and disposed of by certified companies. All relevant parameters are measured and evaluated. All environmental issues acc. the local law. The factory has its own combined heat and power unit (CHP) to generate electrical energy and heat.

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

- Details: Facility tour
- Documents review
- Employees' interviews
- Management interview

Any other comments: None

Non-compliance:

1. Description of non-compliance: None observed

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

Local law and/or ETI /Additional Elements requirement:

Recommended corrective action:

Objective evidence observed:
None observed

Observation:

Description of observation: None observed

Local law or ETI/Additional elements requirements:

Comments:

Objective evidence observed:

None observed

Good examples observed:

Description of Good Example (GE): None observed

Objective Evidence Observed:

None observed

Environmental Analysis

Environmental Analysis <i>(Site declaration only – this has not been verified by auditor. Please state units in all cases below.)</i>	
A: Responsible for Environmental issues (Name and Position):	Mr Hermann Lübbers, General 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 Details: Risk Assessment according the local law
C: Does the site have a recognised environmental system certification such as ISO 14000 or equivalent? Please detail.	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No Details:
D: Does the site have an Environmental policy? <i>(For guidance, please see Measurement criteria)</i>	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No If yes, is it publicly available? It is a part of the SCC Manual
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 Details: key impacts know by management
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 detail. <i>(For guidance, please see Measurement criteria)</i>	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No Details:
H: Have all legally required permits been shown? Please detail.	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No Details: Business licence
I: Is there a documentation process to record hazardous chemicals used in the manufacturing process?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A Details: hazard chemicals documented
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 <input type="checkbox"/> N/A Details: hazard chemicals documented
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 Details: key impacts know by management
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 Details: Whole Waste documented

M: Facility has 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 Details: All facts collected	
N: Facility has checked that any Sub-Contracting agencies or business partners operating on the premises have appropriate permits and licences and are conducting business in line with environmental expectations of the facility	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No Details: Checklist	
Usage/Discharge analysis		
Criteria	Previous year: Please state period: 2018	Current Year: Please state period: Period Jan.2019 – Febr 2019
Electricity Usage: Kw/hrs	37385 KWh	7016 KWh
Renewable Energy Usage: Kw/hrs	37385 KWh	7016 KWh
Gas Usage: Kw/hrs	88569 KWh	26668 KWh
Has site completed any carbon Footprint Analysis?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
If Yes , please state result	N/A	N/A
Water Sources: Please list all sources e.g. lake, river, and local water authority.	•public waterworks	• public waterworks
Water Volume Used: (m ³)	190 m ³	52 m ³
Water Discharged: Please list all receiving waters/recipients.	•public waterworks	• public waterworks
Water Volume Discharged: (m ³)	190 m ³	52 m ³
Water Volume Recycled: (m ³)	190 m ³	52 m ³
Total waste Produced (please state units)	8,36 tons	0,6 tons
Total hazardous waste Produced: (please state units)	No information	No information
Waste to Recycling: (please state units)	2,4 tons	0,6 tons

Waste to Landfill: <i>(please state units)</i>	29.510 tons	47.333 tons
Waste to other: <i>(please give details and state units)</i>	No information	No information
Total Product Produced <i>(please state units)</i>	No information	No information

10C: Business Ethics – 4-Pillar Audit
[\(Click here to return to NC-table\)](#)
 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 is a small family-run business. There are values and principles. However, these values are not written down in writing, but are communicated verbally.
 A company code of conduct exists, but it is not complete. The company works a lot with larger corporations that have their own policies. These are accepted and signed as contracts.

All these documents are available
 Management and all relevant employees are trained.

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

- Details: Facility policy

<ul style="list-style-type: none"> - Employees' interviews - Management interview <p>Any other comments: None</p>

Non-compliance:	
<p>1. Description of non-compliance: It was noted that factory have principles and values but no written Business Ethics policy, covering bribery, corruption, or any type of fraudulent Business Practice</p> <p> <input checked="" type="checkbox"/> NC against ETI/Additional Elements <input type="checkbox"/> NC against Local <input type="checkbox"/> NC against customer code: </p> <p>Local law and/: N/A ETI requirement 10C.5 Businesses should have a Business Ethics policy, covering bribery, corruption, or any type of fraudulent Business Practice,</p> <p>Recommended corrective action:</p> <p>It is recommended that management adopt practices and controls to ensure that a Business Ethics policy, covering bribery, corruption, or any type of fraudulent Business Practice is available</p> <p>Supporting Information: Noted during document view Action by: Mr Hermann Lübbers, General Manager Timescale: 90 days Verification Method: Desktop Management accepted the findings.</p>	<p>Objective evidence observed: Noted during document view</p>

Observation	
<p>Description of observation: None observed</p> <p>Local law or ETI/Additional elements requirements:</p> <p>Comments:</p>	<p>Objective evidence observed: None observed</p>

Good examples observed:	
Description of Good Example (GE): None observed	Objective Evidence Observed: None observed

A: Does the facility have a Business Ethics Policy and is the policy communicated and applied internally, externally or both, as appropriate?	<input checked="" type="checkbox"/> Internal Policy <input checked="" type="checkbox"/> Policy for third parties including suppliers Please give details: Principles an values which are communicated verbal
B: Does the site give training to relevant personnel (e.g. sales and logistics) on business ethics issues	Training is given to all relevant personnel.
C: Is the policy updated on a regular (as needed) basis?	<input type="checkbox"/> Yes <input type="checkbox"/> No NA/ Please give details No written policy pls see NC
D: Does the site require third parties including suppliers to complete their own business ethics training	<input type="checkbox"/> Yes <input type="checkbox"/> No NA/ Please give details No written policy pls see NC

Other Findings Outside the Scope of the Code

None

Community Benefits

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

None

Appendix 1

<p>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."</p> <p style="text-align: center;"><input checked="" type="checkbox"/> Not Applicable please x</p>	
<p>NOTE: 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>Instruction to Audit Company: fill in the relevant clauses from the Customer Supplier Code - where applicable.</p>
<p>ETI Code / Additional Elements</p>	<p>Customer's Supplier Code equivalent</p>
<p>0.A. Universal Rights covering UNGP</p>	<p>0.A. Universal Rights covering UNGP</p>
<p>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.</p>	
<p>0.B. Management Systems & Code Implementation</p>	<p>0.B. Management Systems & Code Implementation</p>
<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>ETI 1. Forced Labour</p>	<p>ETI 1. Forced Labour</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>ETI 2. Freedom of association and the right to collective bargaining are respected</p>	<p>ETI 2. Freedom of association and the right to collective bargaining are respected</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>ETI 3. Working conditions are safe and hygienic</p>	<p>ETI 3. Working conditions are safe and hygienic</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 & 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 & Safety to a senior management representative.</p>	
<p>ETI 4. Child labour shall not be used</p>	<p>ETI 4. Child labour shall not be used</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>ETI 5. Living wages are paid</p>	<p>ETI 5. Living wages are paid</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>ETI 6. Working Hours are not excessive</p>	<p>ETI 6. Working Hours are not excessive</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 all of the following are met:</p> <ul style="list-style-type: none"> - 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. <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>ETI 7. No discrimination is practised</p>	<p>ETI 7. No discrimination is practised</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>ETI 8. Regular employment is provided</p>	<p>ETI 8. Regular employment is provided</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>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.</p>	
<p>8A: Sub-Contracting and Homeworking</p>	<p>8A: Sub-Contracting and Homeworking</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>ETI 9. No harsh or inhumane treatment is allowed</p>	<p>ETI 9. No harsh or inhumane treatment is allowed</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>10. Other Issue areas: 10A: Entitlement to Work and Immigration</p>	
<p>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.</p>	
<p>10. Other issue areas 10B2: Environment 2-Pillar</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>Environment Section</p>	<p>Environment Section</p>
<p>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.</p>	
<p>Business Practices Section</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>Entrance of production building</p>	<p>Entrance of administration office</p>	<p>Factory sign</p>
<p>Aisles</p>	<p>Typical Fire extinguisher</p>	<p>Evacuation route</p>
<p>Typical emergency equipment at production site</p>	<p>Typical Fire extinguisher proofed</p>	<p>Fork lift proofed</p>










<p>First Aid Kit</p>	<p>First Aid Kit stocked</p>	<p>Eye wash</p>

<p>No evacuation map available, pls see NC</p>		
<p>Evacuation map</p>	<p>Safety Instruction</p>	<p>Employee notice boards</p>

<p>waste</p>	<p>Chemicals</p>	<p>Time record system</p>

<p>toilet</p>	<p>Kitchen roo,,</p>	<p>Drinking station</p>

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<p>Emergency exit</p>	<p>Electrical wing box</p>	<p>Emergency stop</p>
		
<p>Emergency exit production hall</p>	<p>Production area</p>	<p>Assembly point</p>
		
<p>Emergency room</p>	<p>PPE worn</p>	<p>MSDS</p>

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End of report.



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