




Sedex Members Ethical Trade Audit Report

Version 6.1



Audit Details			
Sedex Company Reference: <i>(only available on Sedex System)</i>	ZC 1075612	Sedex Site Reference: <i>(only available on Sedex System)</i>	ZS 1009387
Business name (Company name):	LIPIMALHAS – Malhas e Confecções, S.A.		
Site name:	LIPIMALHAS – Malhas e Confecções, S.A.		
Site address: <i>(Please include full address)</i>	Rua Manuel Sousa Oliveira, nº 382 4795-476 São Martinho do Campo – Santo Tirso	Country:	Portugal
Site contact and job title:	Claudia Martins / HR Manager		
Site phone:	+ 351 252 840 240	Site e-mail:	claudia@lipimalhas.com
SMETA Audit Pillars:	<input checked="" type="checkbox"/> Labour Standards	<input checked="" type="checkbox"/> Health & Safety (plus Environment 2-Pillar)	<input type="checkbox"/> Environment 4-pillar <input type="checkbox"/> Business Ethics
Date of Audit:	23/05/2023		

Audit Company Name & Logo: 	Report Owner (payer): LIPIMALHAS – Malhas e Confecções, S.A.
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Audit Conducted By					
Affiliate Audit Company	<input checked="" type="checkbox"/>	Purchaser	<input type="checkbox"/>	Retailer	<input type="checkbox"/>
Brand owner	<input type="checkbox"/>	NGO	<input type="checkbox"/>	Trade Union	<input type="checkbox"/>
Multi-stakeholder	<input type="checkbox"/>	Combined Audit (select all that apply)			

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

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

Audit Content:

(1) A SMETA audit was conducted which included some or all of Labour Standards, Health & Safety, Environment and Business Ethics. The SMETA Best Practice Version 6.1 was applied. The scope of workers included all types at the site e.g. direct employees, agency workers, workers employed by service providers and workers provided by other contractors. Any deviations from the SMETA Methodology are stated (with reasons for deviation) in the SMETA Declaration.

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

2-Pillar SMETA Audit

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

4-Pillar SMETA

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

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

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

SMETA Declaration

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

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

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

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

Lead auditor: Raphael Rocha CSCA 21701435
Lead auditor APSCA status: Certified Social Compliance Auditor (CSCA)
Team auditor: Na
Interviewers: Raphael Rocha CSCA 21701435

Report writer: Raphael Rocha CSCA 21701435
Report reviewer: Gangadharaiah.MK (Reviewer)

Date of declaration: 23/05/2023

Note: The focus of this ethical audit is on the ETI Base Code and local law. The additional elements will not be audited in such depth or scope, but the audit process will still highlight any specific issues.

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

Summary of Findings

Issue <i>(please click on the issue title to go direct to the appropriate audit results by clause) Note to auditor, please ensure that when issuing the audit report, hyperlinks are retained.</i>	Area of Non-Conformity <i>(Only check box when there is a non-conformity, and only in the box/es where the non-conformity can be found)</i>				Record the number of issues by line*:			Findings <i>(note to auditor, summarise in as few words as possible NCs, Obs and GE)</i>
	ETI Base Code	Local Law	Additional Elements	Customer Code	NC	Obs	GE	
0A Universal Rights covering UNGP			<input type="checkbox"/>	<input type="checkbox"/>		1		OB: Facility does not have a transparent system in place for confidentially reporting and dealing with human rights impacts without fear of reprisals towards the transparent system in place for confidentially reporting.
0B Management systems and code implementation		<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>				0
1. Freely chosen Employment	<input type="checkbox"/>	<input type="checkbox"/>		<input type="checkbox"/>				0
2. Freedom of Association	<input type="checkbox"/>	<input type="checkbox"/>		<input type="checkbox"/>				0
3. Safety and Hygienic Conditions	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>		<input type="checkbox"/>	1			NC: Auditor noted that Company has implemented the self-protection measures (MAPs) and has approval on 09/10/2017, however, every 5 years it must request to the ANEPC the regular inspection, according to the law (224 of 2015).
4. Child Labour	<input type="checkbox"/>	<input type="checkbox"/>		<input type="checkbox"/>				0

5	<u>Living Wages and Benefits</u>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>		<input type="checkbox"/>	1		3	<p>NC: Facility doesn't provide to workers the holiday's majority. In 2023 holiday map, company did not allocate holiday bonus to their employees, or any remuneration for the corresponding holiday payment. Employees are only entitled to 22 holiday days, instead of 25 if they are entitled to it.</p> <p>GE: Facility provides Health assurance for all employees and all employees have a discount in optics and E. Leclerc for shopping discounts and during holidays, all employees received Christmas basket superior to 75€.</p>
6	<u>Working Hours</u>	<input type="checkbox"/>	<input type="checkbox"/>		<input type="checkbox"/>				0
7	<u>Discrimination</u>	<input type="checkbox"/>	<input type="checkbox"/>		<input type="checkbox"/>				0
8	<u>Regular Employment</u>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	2			<p>NC: Auditor noted during manager interview, that the company use temporary workers provided by the company Landman Lda, however, the company Landman does not have the Permit to exercise temporary work activity in accordance with Decree-Law n. ° 358/89; During the audit it was not provided by the employment agency (Landman) the temporary worker payslips and attendance, so it was not possible to confirm if the payments and benefits are correct.</p>
8A	<u>Sub-Contracting and Homeworking</u>		<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>				0

9	Harsh or Inhumane Treatment	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>				0
10A	Entitlement to Work		<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>				0
10B2	Environment 2-Pillar		<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>				0
10B4	Environment 4-Pillar		<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Na	Na	Na	Not applicable
10C	Business Ethics		<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Na	Na	Na	Not applicable

General observations and summary of the site:

- LIPIMALHAS – Malhas e Confecções, S.A., is a family business established since 1999 and situated in S. Martinho do Campo, Santo Tirso, on the North of Portugal.
- The Company Produces Knitted garments like sweater's, dresses, and throws, with an average of production capacity of 6000 articles per month, the production is regular during the year.
- Lipimalhas with PJ Silva Pereira and Cláusula Tangível Lda form a Business group under the same administration, they all work in the same building. PJ Silva Pereira is the parent company and only have administrative employees, Cláusula Tangível has 21 workers, all are productive working together with Lipimalhas sharing the same space.
- Cláusula Tangível Lda contracted the company Landman (Agency) who provided one temporary employee, Nepalese nationality, to this factory and this company works as a subcontractor for Lipimalhas.
- Overall responsibility for meeting the standards is taken by Claudia Martins / HR manager
- Lipimalhas have a total of 31 workers on site, site (14 male and 17 female).
- The youngest worker on site was 24-year-old.
- There are no affiliated employees to industry unions.
- There is evidence of both male and female in management and among supervisors. The distribution was Male 50%, Female 50%.
- 10 workers were selected for interview including 2 male and 8 female employees, 6 were interviewed individually and 1 group of 4 employees.
- All workers said they were very satisfied with their employment at the factory.
- 10 Records to show wages and hours were taken for 3 months from the period September 2022 (random), February 2023 (Peak season) and April 2023 (last month paid).
- Legal wage was paid to all workers and salaries are always paid on time and benefits are according to law.
- Standard hours on site were on average 40 hours/week with 2 days off in every 5-day-period.
- Facility regular work schedule is from Monday to Friday: 8.00am-5.00pm with one-hour lunch break, and 10 min break in the morning.
- Weaving section works per shifts: 6.00am-2.00pm; 2.00am-10.00pm; 10.00pm-6.00am, with 30min lunch break.
- Hours are recorded using a Biometric (fingertip) Timekeeping System.

- Salaries are always paid on time and benefits are according to the law.
- There is a proper awareness of human resources department, for a rigorous analysis and validation of all the documentation submitted by employees, restricting the integration of children at work.
- Facility has good working conditions in relation to health and safety and complies with the general Portuguese and European Law regarding environment.
- The maximum overtime hours found were:
 - 6h per day during the weekend / 6h per week / 18h per month in September 2022;
 - 6h per day during the weekend / 6h per week / 12h per month in February 2023;
 - 6h per day during the weekend / 6h per week / 18h per month in April 2023.

NC's:

Auditor noted during manager interview, that the company use temporary workers provided by the company Landman Lda, however, the company Landman does not have the Permit to exercise temporary work activity in accordance with Decree-Law n. ° 358/89; During the audit it was not provided by the employment agency (Landman) the temporary worker payslips and attendance, so it was not possible to confirm if the payments and benefits are correct; Auditor noted that Company has implemented the self-protection measures (MAPs) and has approval on 09/10/2017, however, every 5 years it must request to the ANEPC the regular inspection, according to the law (224 of 2015). Manager comments: The facility will move to another location in September; Facility doesn't provide to workers the holiday's majority. In 2023 holiday map, company did not allocate holiday bonus to their employees, or any remuneration for the corresponding holiday payment. Employees are only entitled to 22 holiday days, instead of 25 if they are entitled to it.

Observations:

Facility does not have a transparent system in place for confidentially reporting, and dealing with human rights impacts without fear of reprisals towards the transparent system in place for confidentially reporting.

GE:

Facility provides Health assurance for all employees and all employees have a discount in optics and E. Leclerc for shopping discounts and during holidays, all employees received Christmas basket superior to 75€.

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

Site Details

Site Details														
A: Company Name:	LIPIMALHAS – Malhas e Confecções, S.A.													
B: Site name:	LIPIMALHAS – Malhas e Confecções, S.A.													
C: GPS location: (If available)	GPS Address:	Latitude: 41°21'54.6"N Longitude: 8°21'32.5"W												
D: Applicable business and other legally required licence numbers and documents, for example, business license number, liability insurance, any other required government inspections	Business License: N°: 119/16 issued in 12.05.2016, without expiration date and permanent certificate code 5800-0236-1351 valid until 23-11-2024.													
E: Products/Activities at site, for example, garment manufacture, electricals, toys, grower, cutting, sewing, packing etc	Company is specialized in the production of Knitted articles: sweaters, dresses and throws.													
F: Site description: (Include size, location, and age of site. Also, include structure and number of buildings)	<p>Lipimalhas is established since 1999 and is located in Santo Tirso, an area with tradition in Textiles manufacturing, dedicated to the production of Knitted articles. Facility is installed at a building made of stone, concrete and steel, with a total area of 2865,37 m2 and building area of 1108 m2.</p> <p>Facility operates in one industrial building with two floors: on ground floor is installed production, administrative area, social area and a break room and on first floor is the showroom and a yarn warehouse.</p> <table border="1" data-bbox="655 1563 1485 1960"> <thead> <tr> <th>Production Building no</th> <th>Description</th> <th>Remark, if any</th> </tr> </thead> <tbody> <tr> <td>Ground floor</td> <td>production, social area, break room, toilets, office and maintenance room</td> <td>1029 m².</td> </tr> <tr> <td>1st Floor</td> <td>showroom and yarn warehouse.</td> <td>79m².</td> </tr> <tr> <td>Is this a shared building?</td> <td>Yes</td> <td>PJ Silva Pereira and Cláusula Tangível</td> </tr> </tbody> </table>		Production Building no	Description	Remark, if any	Ground floor	production, social area, break room, toilets, office and maintenance room	1029 m².	1st Floor	showroom and yarn warehouse.	79m².	Is this a shared building?	Yes	PJ Silva Pereira and Cláusula Tangível
Production Building no	Description	Remark, if any												
Ground floor	production, social area, break room, toilets, office and maintenance room	1029 m².												
1st Floor	showroom and yarn warehouse.	79m².												
Is this a shared building?	Yes	PJ Silva Pereira and Cláusula Tangível												

	<table border="1" data-bbox="657 219 1484 286"> <tr> <td data-bbox="657 219 924 286"></td> <td data-bbox="924 219 1177 286"></td> <td data-bbox="1177 219 1484 286">Lda - The group of companies.</td> </tr> </table> <p>There is no dormitory.</p> <p>For below, please add any extra rows if appropriate.</p> <p>F1: Visible structural integrity issues (large cracks) observed? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No</p> <p>F2: Please give details: building is good structural conditions.</p> <p>F3: Does the site have a structural engineer evaluation? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No</p> <p>F4: Please give details: In accordance with Nº: 119/16 issued in 12.05.2016.</p>			Lda - The group of companies.
		Lda - The group of companies.		
<p>G: Site function:</p>	<input type="checkbox"/> Agent <input checked="" type="checkbox"/> Factory Processing/Manufacturer <input type="checkbox"/> Finished Product Supplier <input type="checkbox"/> Grower <input type="checkbox"/> Homeworker <input type="checkbox"/> Labour Provider <input type="checkbox"/> Pack House <input type="checkbox"/> Primary Producer <input type="checkbox"/> Service Provider <input type="checkbox"/> Sub-Contractor			
<p>H: Month(s) of peak season: (if applicable)</p>	<p>Jan / Feb / Mar / Jun / Jul / Aug / Oct / Nov / Dec</p>			
<p>I: Process overview: (Include products being produced, main operations, number of production lines, main equipment used)</p>	<p>Lipimalhas produces Knitted articles: sweaters, dresses, and throws.</p> <p>Production operations are receiving of raw materials (yarn and accessories)-Knitting-Cutting- Sewing-Washing- Pressing-Finishing-Inspection-Packing-Expedition.</p> <p>Facility has a daily production of 6000 article per month.</p> <p>Main equipment's on site are Looms, presses, vaporization machine, cutting saw, washing machines, dryers) and sewing machines; all equipment is in good conditions and is in well maintained.</p>			
<p>J: What form of worker representation / union is there on site?</p>	<input type="checkbox"/> Union (name) <input type="checkbox"/> Worker Committee: <input type="checkbox"/> Other (specify) <input checked="" type="checkbox"/> None			
<p>K: Is there any night production work at the site?</p>	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No			

L: Are there any on site provided worker accommodation buildings e.g. dormitories	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No L1: If yes, approx. % of workers in on site accommodation
M: Are there any off site provided worker accommodation buildings	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No M1: If yes, approx. % of workers
N: Were all site-provided accommodation buildings included in this audit	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No N1: If no, please give details not applicable

Audit Parameters

A: Time in and time out	Day 1 Time in: 9:30 Day 1 Time out: 17:30	Day 2 Time in: Day 2 Time out:	Day 3 Time in: Day 3 Time out:
B: Number of auditor days used:	1 auditor for one day		
C: Audit type:	<input type="checkbox"/> Full Initial <input checked="" type="checkbox"/> Periodic <input type="checkbox"/> Full Follow-up <input type="checkbox"/> Partial Follow-Up <input type="checkbox"/> Partial Other If other, please define		
D: Was the audit announced?	<input type="checkbox"/> Announced <input checked="" type="checkbox"/> Semi – announced: Window detail: 3 weeks <input type="checkbox"/> Unannounced		
E: Was the Sedex SAQ available for review?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No E1: 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)	Claudia Martins / HR Manager		
H: Is further information available (If yes, please contact audit company for details)	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No		
I: Previous audit date:	16/11/2021		
J: Previous audit type:	Periodic		

K: Were any previous audits reviewed for this audit	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A

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

Worker Analysis

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

Worker Analysis								
	Local			Migrant*			Home workers	Total
	Permanent	Temporary	Agency	Permanent	Temporary	Agency		
Worker numbers – Male	14	0	0	0	0	0	0	14
Worker numbers – female	17	0	0	0	0	1	0	18
Total	31	0	0	0	0	1	0	32
Number of Workers interviewed – male	2	0	0	0	0	0	0	2
Number of Workers interviewed – female	7	0	0	0	0	1	0	8
Total – interviewed sample size	9	0	0	0	0	1	0	10



<p>A: Nationality of Management</p>	<p>Portuguese</p>	
<p>B: Please list the nationalities of all workers, with the three most common nationalities listed first. <i>Please add more nationalities as applicable to site. Add more rows if required.</i></p>	<p>Nationalities: B1: Nationality 1: Portugal B2: Nationality 2: Nepal (Agency)</p>	<p>Was the list completed during peak season? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No If no, please describe how this may vary during peak periods: Last peak was in March 2023.</p>
<p>C: Please provide more information for the three most common nationalities.</p>	<p>C: approx % total workforce: Nationality 1 – 96,88 % Portugal C1: approx % total workforce: Nationality 2 – 3,12% Nepal</p>	
<p>D: Worker remuneration <i>(management information)</i></p>	<p>D: _____% workers on piece rate D1: _____% hourly paid workers D2: 100% salaried workers Payment cycle: D3: _____% daily paid D4: _____% weekly paid D5: 100% monthly paid D6: _____% other D7: If other, please give details</p>	



Worker Interview Summary	
A: Were workers aware of the audit?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
B: Were workers aware of the code?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
C: Number of group interviews: <i>(Please specify number and size of groups. Please see SMETA Best Practice Guidance and Measurement Criteria. If the auditor was not able to follow the BPG, please state within the declaration)</i>	1 group of 4 workers
D: Number of individual interviews <i>(Please see SMETA Best Practice Guidance and Measurement Criteria)</i>	Male: 0 Female: 6
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?	No complaints were made
I: What did the workers like the most about working at this site?	Advance payment and Good Working environment
J: Any additional comment(s) regarding interviews:	Nonrelevant
K: Attitude of workers to hours worked:	Favourable
L. Is there any worker survey information available?	
<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <i>If Yes, please give details: workers annual survey on health & safety conditions. According to report no relevant concerns were reported.</i>	
M: Attitude of workers: <i>(Include their attitude to management, workplace, and the interview process. Both positive and negative information should be included) Note: Do not document any information that could put workers at risk</i>	

10 employees were selected randomly from various departments for the interviews. All interviews are carried without the present of management. All employees were comfortable with the interview process and describe their free ideas about the facility. All stated that are happy with job position. For employees the main strengths of the facility are the advance payment and good working environment.

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

There is no worker's committee/union at this factory and no workers representatives.

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

The management demonstrated a great involvement regarding the organization, and provided all necessary resources requested by auditor. In the closing meeting they demonstrated a positive attitude and interest towards the audit overall conducted by auditor; the finding was accepted by the company management.

Audit Results by Clause

0A: Universal Rights covering UNGP

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

0.A. Guidance for Observations

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

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

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

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

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

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

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

Current Systems and Evidence Examined

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

Current systems:

Details: The UN Guiding Principles on Business and Human Rights are a set of guidelines for States and companies to prevent, address and remedy human rights abuses committed in business operations. Human rights are expressed and guaranteed by Portuguese law, the labour code and civil code which establish obligations on companies and individuals to act in certain ways or to refrain from certain acts, in order to promote and protect the human rights and fundamental freedoms of individuals or groups. Facility Social Responsibility policy covers the guidelines regarding the particular human rights of workers: freedom of association and the right to collective bargaining; the elimination of compulsory labour; the abolition of child labour; and the elimination of discrimination in respect of employment and occupation. Procedures implemented at facility demonstrate commitment and due diligence towards human rights including business relations with interested third parties, facility has written policy regarding human rights. There is no grievance mechanism for reporting any violations of the policy. Designated person responsible for implementing standards concerning Human rights is the manager, Mrs. Claudia Martins / HR Manager.

Evidence examined – to support system description (Documents examined & relevant comments. Include renewal/expiry date where appropriate): Facility code of conduct, HR policies, Human rights policy

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: Facility has a code of conduct with social policy and express commitment to respect Human rights from 2018.</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: Claudia Martins Job title: HR Manager.</p>
<p>C: Does the business have a transparent system in place for confidentially reporting, and dealing with human rights impacts without fear of reprisals towards the reporter?</p>	<p><input type="checkbox"/> Yes <input checked="" type="checkbox"/> No Please give details: Facility has no transparent system in place for confidentially reporting, and dealing with human rights impacts.</p>
<p>D: Does the grievance mechanism meet UNGP expectations? (Legitimate, Accessible, Predictable, Equitable, Transparent, Rights-compatible, a source of continuous learning and based on stakeholder engagement)</p>	<p><input type="checkbox"/> Yes <input checked="" type="checkbox"/> No Please give details: Facility has no transparent system in place</p>
<p>E: Does the business demonstrate effective data privacy procedures for workers' information, which is implemented?</p>	<p><input checked="" type="checkbox"/> Yes <input type="checkbox"/> No E1: Please give details: privacy policy regarding workers information is according to Portuguese law for data protection and is fully implemented.</p>

Findings	
<p>Finding: Observation <input checked="" type="checkbox"/> Company NC <input type="checkbox"/></p> <p>Description of observation: Facility does not have a transparent system in place for confidentially reporting and dealing with human rights impacts without fear of reprisals towards the transparent system in place for confidentially reporting.</p> <p>Local law or ETI/Additional elements / customer specific requirement: O.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>Comments: Facility agreed to create a transparent system in place for confidentially reporting of human rights violations</p>	<p>Objective evidence observed:</p> <p>Manager interview</p>

Good examples observed:

Description of Good Example (GE): None observed	Objective Evidence Observed: NA
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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)	A1: Last year: 2022 12,50	A2: This year: 2023 0
B: Current % quarterly (90 days) turnover: Number of workers leaving from the first day of the 90 days period through to the last day of the 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]	0	
C: Annual % absenteeism: Number of days lost through job absence in the year / [(number of employees on 1 st day of the year + number employees on the last day of the year) / 2] * number available workdays in the year	C1: Last year: 2020 4,18	C2: This year 2023 0,60
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	1,54	
E: Are accidents recorded?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No E1: Please describe: Accidents log with communication to insurance company and annual report on health & safety performance - Annex D	
F: Annual Number of work related accidents and injuries per 100 workers: [(Number of work related accidents and injuries * 100) / Number of total workers]	F1: Last year: 2022 Number: 3,13	F2: This year: 2023 Number: 0
G: Quarterly (90 days) number of work related accidents and injuries per 100 workers: [(Number of work related accidents and injuries * 100) / Number of total workers]	0	
H: Lost day work cases per 100 workers: [(Number of lost days due to work accidents and work related injuries * 100) / Number of total workers]	H1: Last year: 2022 12,50	H2: This year: 2023 0

I: % of workers that work on average more than 48 standard hours / week in the last 6 / 12 months:	I1: 6 months 0% workers	I2: 12 months 0% workers
J: % of workers that work on average more than 60 total hours / week in the last 6 / 12 months:	J1: 6 months 0% workers	J2: 12 months 0% workers

0B: Management system and Code Implementation
[\(Click here to return to summary of findings\)](#)

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

Current Systems and Evidence Examined

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:

Details: 0.1 Facility has formal Management System for Social Accountability and meet general requirement of a sustainable business.

0.2 Facility has appointed a senior member of management Claudia Martins to be responsible for compliance with the Code.

0.3 There are evidence that ETI Code principles are communicated to all employees, as code is posted at production.

0.4 Facility communicated principles of the code to their own suppliers and extends the principles of this Ethical Code through their supply chain.

Evidence examined – to support system description (Documents examined & relevant comments. Include renewal/expiry date where appropriate): Company codes and policies, ETI code published and communication system.

Any other comments: None

Management Systems:

A: In the last 12 months, has the site been subject to any fines/prosecutions for non-compliance to any regulations?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No A1: Please give details: No records of fines
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<p>B: Do policies and/or procedures exist that reduce the risk of forced labour, child labour, discrimination, harassment & abuse?</p>	<p><input checked="" type="checkbox"/> Yes <input type="checkbox"/> No B1: Please give details: facility social code of conduct, Human rights policy and HR procedures. Policy states that the facility will never employ and use any child labour under the age of 16 years old; male and female employees are on the same pay grade etc.</p>
<p>C: If Yes, is there evidence (an indication) of effective implementation? Please give details.</p>	<p>Though employment contract and ID copies review, no child labour under the age of 16 years old employed.</p>
<p>D: Have managers and workers received training in the standards for forced labour, child labour, discrimination, harassment & abuse?</p>	<p><input checked="" type="checkbox"/> Yes <input type="checkbox"/> No D1: Please give details: management receive the training and is communicated to workers</p>
<p>E: If Yes, is there evidence (an indication) that training has been effective e.g. training records etc.? Please give details</p>	<p><input checked="" type="checkbox"/> Yes <input type="checkbox"/> No E1: Please give details: Yes, training records available at human resources department</p>
<p>F: Does the site have any internationally recognised system certifications e.g. ISO 9000, 14000, OHSAS 18000, SA8000 (or other social audits). Please detail (Number and date).</p>	<p><input checked="" type="checkbox"/> Yes <input type="checkbox"/> No F1: Please give details: RWS, CERTIFICATE No: CU 883073-RAF-02349 - REGISTRATION No: CU 883073 until 17 October 2023.</p>
<p>G: Is there a Human Resources manager/department? If Yes, please detail.</p>	<p><input checked="" type="checkbox"/> Yes <input type="checkbox"/> No G1: Please give details: Mrs. Claudia Martins / HR Manager</p>
<p>H: Is there a senior person / manager responsible for implementation of the code</p>	<p><input checked="" type="checkbox"/> Yes <input type="checkbox"/> No H1: Please give details: Mrs. Claudia Martins / HR Manager</p>
<p>I: Is there a policy to ensure all worker information is confidential?</p>	<p><input checked="" type="checkbox"/> Yes <input type="checkbox"/> No I1: Please give details: Portuguese law on data protection</p>
<p>J: Is there an effective procedure to ensure confidential information is kept confidential?</p>	<p><input checked="" type="checkbox"/> Yes <input type="checkbox"/> No J1: Please give details: Access to HR information (employee personal files, work medicine records, pay slips, etc) is restricted.</p>
<p>K: Are risk assessments conducted to evaluate policy and procedure effectiveness?</p>	<p><input checked="" type="checkbox"/> Yes <input type="checkbox"/> No</p>

	K1: Please give details: Facility has a Health & safety risk analysis per job position and external health & safety services for monitoring
L: Does the facility have a process to address issues found when conducting risk assessments, including implementation of controls to reduce identified risks?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No L1 Please give details: Action plan issued after risk assessment
M: Does the facility have a policy/code which require labour standards of its own suppliers?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No M1: Please give details: Facility Social Code of Conduct from 2018.
Land rights	
N: Does the site have all required land rights licenses and permissions (see SMETA Measurement Criteria)?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No N1: Please give details: The site has all required land rights, licences and permission such as house property certificate.
O: Does the site have systems in place to conduct legal due diligence to recognize and apply national laws and practices relating to land title?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No O1: Please give details: legal advice on ownership issues
P: Does the site have a written policy and procedures specific to land rights. If yes, does it include any due diligence the company will undertake to obtain free, prior and informed consent, (FPIC) even if national/local law does not require it	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No P1: If yes, how does the company obtain FPIC: NA
Q: Is there evidence that facility / site compensated the owner/lessor for the land prior to the facility being built or expanded.	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No Q1: Please give details: Ownership document for the land and building
R. Does the facility demonstrate that alternatives to a specific land acquisition were considered to avoid or minimize adverse impacts?	<input type="checkbox"/> Yes <input type="checkbox"/> No R1: Please give details: Not applicable, the facility did not have plans for land acquisition.
S: Is There any evidence of illegal appropriation of land for facility building or expansion of footprint.	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No S1: Please give details: Facility has a license n° 119/16 issued in 12.05.2016

Non-compliance:

<p>1. Description of non-compliance: None Observed</p> <p><input type="checkbox"/> NC against ETI/Additional Elements <input type="checkbox"/> NC against Local Law</p> <p><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: NA</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: NA</p>

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

1: Freely Chosen Employment

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

ETI

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

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

Current Systems and Evidence Examined

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

Current systems:

Details: During the employees' interview, it was noted that workers were working voluntarily and during the facility tour, workers did not appear to be under stress.

All emergency fire exits are unlocked during working

Employees are free to leave the work area during working hours for justifiable cause with the appropriate permission of the section responsible party and had freedom of movement that was not impeded except for the protection of facility property and security of facility personnel. Through facility tour, documents review and employee interview, no concern in Forced Labour was noted.

Facility has no guards at factory; employees are free to leave once their shift ends and the employees' freedom of movement during the work shift is not impeded.

Facility maintains all hiring documents such as employee application, copy of Citizen card, work medicine files, social security records, and signed by employee/employer labour contract in the employee's personnel file.

Reviewed hiring documents showed that applicants were seeking employment voluntarily. The payment of wages, which was in compliance with the local law, was issued directly to employees. The payment of wages clearly showed the employees direct control to the destination of his/her wages, and access to his/her wages.

Evidence examined – to support system description (Documents examined & relevant comments. Include renewal/expiry date where appropriate): Hiring documents, employees files, and wage payments

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 A1: If yes, please give details and category of workers affected:</p>
<p>B: Is there any evidence of a loan scheme in operation</p>	<p><input type="checkbox"/> Yes <input checked="" type="checkbox"/> No B1: If yes, please give details and category of worker affected:</p>
<p>C: Is there any evidence of retention of wages /deposits</p>	<p><input type="checkbox"/> Yes <input checked="" type="checkbox"/> No C1: If yes, please give details and category of worker affected:</p>

<p>D: Are there any restrictions on workers' freedom to terminate employment?</p>	<p><input type="checkbox"/> Yes <input checked="" type="checkbox"/> No D1: Please describe finding: according to Portuguese law, employees are free to terminate the work contract with reasonable notice: one month for contracts with less than 1 year and 2 months for contracts longer than 1 year.</p>
<p>E: If any part of the business is UK based or registered there & has a turnover over £36m, is there a published a 'modern day slavery statement'?</p>	<p><input type="checkbox"/> Yes <input type="checkbox"/> No <input checked="" type="checkbox"/> Not applicable E1: Please describe finding: not applicable as business is not based/registered in UK</p>
<p>F: 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 F1: Please describe finding: N/A</p>
<p>G: Does the site understand the risks of forced / trafficked / bonded labour in its supply chain</p>	<p><input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> Not applicable G1: If yes, please give details and category of workers affected: Facility fully understands the risk and performed monitoring subcontractors.</p>
<p>H: Is the site taking any steps taking to reduce the risk of forced / trafficked labour?</p>	<p><input type="checkbox"/> Yes <input checked="" type="checkbox"/> No H1: Please describe finding: n/A</p>

<p style="text-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: Local law and/or ETI requirement Recommended corrective action: NA</p>	<p>Objective evidence observed: NA</p>

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

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

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

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

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

ETI

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

Current Systems and Evidence Examined

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

Current systems:

Details: By interviews (management representatives and workers), we noted that workforce rights are recognized and that the workers have the right to belong to a Union - they are free to do that if they want. Unions are external independent entities and workers are not obliged to communicate union ship to employers.

Evidence examined – to support system description (Documents examined & relevant comments. Include renewal/expiry date where appropriate): facility social policy and HR procedures and employees' interviews

Any other comments: None

<p>A: What form of worker representation/union is there on site?</p>	<p><input type="checkbox"/> Union (name) <input type="checkbox"/> Worker Committee: <input type="checkbox"/> Other (specify) <input checked="" type="checkbox"/> None</p>
<p>B: Is it a legal requirement to have a union?</p>	<p><input type="checkbox"/> Yes <input checked="" type="checkbox"/> No</p>
<p>C: Is it a legal requirement to have a worker's committee?</p>	<p><input type="checkbox"/> Yes <input checked="" type="checkbox"/> No</p>
<p>D: Is there any other form of effective worker/management communication channel? (Other</p>	<p><input checked="" type="checkbox"/> Yes <input type="checkbox"/> No D1: Please give details: annual survey sand open-door policy</p>

than union/worker committee e.g. H&S, sexual harassment)	<p>D2: Is there evidence of free elections? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No</p> <p>NA</p>	
E: Does the supplier provide adequate facilities to allow the Union or committee to conduct related business?	<p><input type="checkbox"/> Yes <input checked="" type="checkbox"/> No E1: Please give details: no union/workers representatives on site</p>	
F: Name of union and union representative, if applicable:	There are no union representatives as union in an external entity.	F1: Is there evidence of free elections? <input type="checkbox"/> Yes <input type="checkbox"/> No <input checked="" type="checkbox"/> N/A
G: If there is no union, is there a parallel means of consultation with workers e.g. worker committees?	NA	G1: 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 Na	NA
I: Were worker representatives freely elected?	<input type="checkbox"/> Yes <input type="checkbox"/> No Na	I1: Date of last election: NA
J: Do workers know what topics can be raised with their representatives?	<input type="checkbox"/> Yes <input type="checkbox"/> No Na - There are no union representatives	
K: Were worker representatives/union representatives interviewed?	<input type="checkbox"/> Yes <input type="checkbox"/> No If Yes , please state how many: Na	
L: Please describe any evidence that union/worker's committee is effective? Specify date of last meeting; topics covered; how minutes were communicated etc.	Na	
M: Are any workers covered by Collective Bargaining Agreement (CBA)?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	
If Yes , what percentage by trade Union/worker representation	M1: 100% workers covered by Union CBA	M2: ___% workers covered by worker rep CBA
M3: If Yes , does the Collective Bargaining Agreement (CBA) include rates of pay?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	

Non-compliance:	
<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>Objective evidence observed: NA</p>

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

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

3: Working Conditions are Safe and Hygienic

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

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

ETI

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

Current Systems and Evidence Examined

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

Current systems:

Details: Facility has external services for health & safety management and provides work medicine to Lipimalhas has external services for health & safety management and provides work medicine to employees.
 Potable water was freely available in all areas.
 Sufficient clean toilets segregated by gender were available at all times to employees
 There were adequate first aid kits in production areas and they were well stocked.
 Company keeps an accident log with 1 accident reported in 2022 and 0 in 2023 year to date.
 Facility has performed an evaluation of employees' risk exposure at workplace per job position to find needs of personal protective equipment or collective protection.
 All production workshops have adequate number and appropriate types of fire extinguishers and hoses that are visible, accessible, checked annually and posted with an instruction. All escape routes were unblocked and unobstructed. The company has chemical products used in the laundry (detergents, softeners, etc.), however they are not dangerous, and the MSDs are displayed at the workstation.
 On October 9, 2017, was approved by ANEPC (National authority), the auto-protection measures against fire on building (classified on 2^a risk category), namely the preventive evacuation plan for emergency, according to fire risk category.

Evidence examined – to support system description (Documents examined & relevant comments. Include renewal/expiry date where appropriate): Contracts for work medicine and health & safety services, risk evaluation reports from 14/07/2022, Noise evaluation from 11/01/2022, lightning evaluation report from 22/11/2021, thermal comfort evaluation from 11/01/2022, Approved emergency plan and evacuation report. Fire drill report from 11/01/2022, accident insurance policy n° 1200020343 from "Tranquilidade", annual payment of the contract with the company H&S Gliese Work Solutions Lda, annex D report submitted on 14/04/2023, annual H&S survey with employees from December 2022, compressor inspection from 2022, emergency/firefighting training from 11/01/2021, chemical (Detergent) MSD, gas inspection certificate from 06/12/2022, firefighting equipment inspection from January 2023. In the last 4 years, employees have not received H&S and first aid training, however, the facility scheduled training with the H&S company for 18/09/2023, it is confirmed and awarded.

<p>A: Does the facility have general 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 A1: Please give details: General Health & Safety policies are communicated and posted to all workers.</p>
<p>B: Are the policies included in workers' manuals?</p>	<p><input checked="" type="checkbox"/> Yes <input type="checkbox"/> No B1: Please give details: welcome book includes policies.</p>
<p>C: Are there any structural additions without required permits/inspections (e.g. floors added)?</p>	<p><input type="checkbox"/> Yes <input checked="" type="checkbox"/> No C1: Please give details: No structural additions</p>
<p>D: Are visitors to the site informed on H&S and provided with personal protective equipment</p>	<p><input checked="" type="checkbox"/> Yes <input type="checkbox"/> No D1: Please give details: Visitors are informed about H&S policies and provided with necessary PPE if applicable</p>
<p>E: Is a medical room or medical facility provided for workers? If yes, do the room(s) meet legal requirements and is the size/number of rooms suitable for the number of workers.</p>	<p><input type="checkbox"/> Yes <input checked="" type="checkbox"/> No E1: Please give details: There is no medical office on site.</p>
<p>F: Is there a doctor or nurse on site or there is easy access to first aider/ trained medical aid?</p>	<p><input checked="" type="checkbox"/> Yes <input type="checkbox"/> No F1: Please give details: facility provides work medicine services for employees</p>
<p>G: Where the facility provides worker transport - is it fit for purpose, safe, maintained and operated by competent persons e.g. buses and other vehicles?</p>	<p><input type="checkbox"/> Yes <input checked="" type="checkbox"/> No G1: Please give details: Not applicable, no transport is provided to workers</p>
<p>H: Is secure personal storage space provided for workers in their living space and is fit for purpose?</p>	<p><input checked="" type="checkbox"/> Yes <input type="checkbox"/> No H1: Please give details: Company provides locker room and personal lockers to employees.</p>
<p>I: Are H&S Risk assessments are conducted (including evaluating the arrangements for workers doing overtime e.g. driving after a long shift) and are there controls to reduce identified risk?</p>	<p><input checked="" type="checkbox"/> Yes <input type="checkbox"/> No I1: Please give details: Facility has a risk assessment per job position to identify and eliminate or if not possible minimize all risks.</p>
<p>J: Is the site meeting its legal obligations on environmental requirements including required permits for use and disposal of natural resources?</p>	<p><input checked="" type="checkbox"/> Yes <input type="checkbox"/> No J1: Please give details: Facility forwards their wastes to a legal authorized company, it registered in SILIAMB/SIRAPA and submitted the solid waste inventory, MIRR, to the Environment Agency.</p>

<p>K: Is the site meeting its customer requirements on environmental standards, including the use of banned chemicals?</p>	<p><input checked="" type="checkbox"/> Yes <input type="checkbox"/> No</p> <p>K1: Please give details: Facility complies with all legal environmental requirements applicable to their activity.</p>
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Non-compliance:	
<p>1. Description of non-compliance: Auditor noted that Company has implemented the self-protection measures (MAPs) and has approval on 09/10/2017, however, every 5 years it must request to the ANEPC the regular inspection, according to the law (224 of 2015).</p> <p>Manager comments: The facility will move to another location in September</p> <p><input checked="" type="checkbox"/> NC against ETI code: ETI 3.1 <input checked="" type="checkbox"/> NC against Local Law <input type="checkbox"/> NC against customer</p> <p>Local law and/or ETI requirement: Decree-Law No. 224/2015. Article 19. 3 - Regular inspections are mandatory and must be carried out within a maximum period of six years in the case of the 1st risk category, five years in the case of the 2nd risk category, four years in the case of the third risk category and three years in the case of the 4th risk category, at the request of the responsible entities referred to in paragraphs 3 and 4 of article 6.</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>Recommended corrective action: Facility must request to the ANEPC the regular inspection, according to the law (224 of 2015).</p>	<p>Objective evidence observed: Manager and documents check</p>

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

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

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4: Child Labour Shall Not Be Used
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ETI

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

Current Systems and Evidence Examined
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:

Details: Facility is in compliance with National Laws, which state that the facility would not engage any persons less than 16 years of age.
 Age documentation such as ID card or Birth Certificate was required for review prior to hiring. Copies of age documentation are retained in employee personnel files.
 The facility maintains information in the file regarding how long the employee has been working at the facility and assesses the authenticity of age documentation and makes comparisons with sample documents.
 Facility ascertains the employee's stated age through the interview process. The physical appearance of the employees selected is consistent with their age and employment history as documented in their personnel file. The facility documents the existence of an employment interview.
 Age and date of employment was stated clearly in employment application.
 By employee's interviews and personnel record the youngest worker found was 24 years old.

Evidence examined – to support system description (Documents examined & relevant comments. Include renewal/expiry date where appropriate): Employees personal files and company hiring procedures.

Any other comments: None

A: Legal age of employment:	16 years
B: Age of youngest worker found:	24 years
C: Are there children present on the work floor but not working at the time of audit?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
D: % of under 18's at this site (of total workers)	0 %

<p>E: Are workers under 18 subject to hazardous work assignments? (Go to clause 3 – Health and Safety)</p>	<p><input type="checkbox"/> Yes <input checked="" type="checkbox"/> No If Y give details</p>
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Non-compliance:	
<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: NA</p> <p>Recommended corrective action: NA</p>	<p>Objective evidence observed: NA</p>

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

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

5: Living Wages are paid

5: Living Wages are Paid

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

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

ETI

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

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

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

Current Systems and Evidence Examined

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

Current systems:

Details: Employees are paid at least the national minimum wage, 760€/month which is also regular wage paid on production. Employees receive a meal allowance above the required by law, from 3,0 until 8,23 per day.

It was verified that wages are properly calculated and Meet/above the minimum wage for the period.

All applicable withholdings are properly calculated, withheld and promptly paid over to the appropriate government agency within the specified timelines. There are no payroll deductions for employment broker fees, housing allowances, food allowances etc.

Up to date and all legally mandatory allowances and benefits are provided to the employees.

All employees are provided with a written and understandable statement of their pay for each pay period

Those contracts are in line with the general law.

According to employees' interviews salaries are always paid on time, by direct deposit on bank account, and each employee was given a pay slip and signed for their wages.

Evidence examined – to support system description (Documents examined & relevant comments. Include renewal/expiry date where appropriate): Facility provided 12 months of records and auditor selected 10 wages for September 2022 (random month), 10 wages for March 2023 (Peak month) and 10 wages for April 2023 (last month paid). Social security certificate of non-debts and taxes certificate of non-debts.

Any other comments: None

Non-compliance:	
<p>1. Description of non-compliance: Facility doesn't provide to workers the holiday's majority. In 2023 holiday map, company did not allocate holiday bonus to their employees, or any remuneration for the corresponding holiday payment. Employees are only entitled to 22 holiday days, instead of 25 if they are entitled to it.</p> <p>The company is associated with the Textile and Clothing Association of Portugal (ATP), and is not obliged by law to give holiday's majority to employees, however it did not find proof of payment of the quota. They will send as soon as they find the document</p> <p><input checked="" type="checkbox"/> NC against ETI <input checked="" type="checkbox"/> NC against Local Law <input type="checkbox"/> NC against customer code:</p> <p>Local law and/or ETI requirement:</p> <p>In accordance to ANIVÉC – APIV Industry CBA, Clause 53°, the holiday allowance should be increased if the employee has not missed unjustifiably or in the event of having only justified absences in the reference. In case of worker with justified absences, is entitled to 22 holiday days and an increase as follows: a) three days to a maximum of an absence or two half days; b) Two days to a maximum of two absences or four half days; c) One day up to a maximum of three absences or six half days. Worker has the option to receive the payment of holiday, as far as they enjoy at least 20 days.</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>Recommended corrective action: Facility must provide to workers the holiday's majority</p>	<p>Objective evidence observed:</p> <p>Employees and manager interview</p>

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

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

Facility provides Health assurance for all employees and all employees have a discount in optics and E. Leclerc for shopping discounts and during holidays, all employees received Christmas basket superior to 75€.

Employee and manager interview

Summary Information

Criteria	Local Law <i>(Please state legal requirement)</i>	Actual at the Site <i>(Record site results against the law)</i>	Is this part of a Collective Bargaining Agreement?
A: Standard/Contracted work hours: <i>(Maximum legal and actual required working hours excluding overtime, please state if possible per day, week, and month)</i>	Legal maximum: 8 hours per day/40 per week Portuguese DI n° 7/2009, article 203, rd	A1: Legal maximum: 8 hours per day/40 per week/200 per year	A2: <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
B: Overtime hours: <i>(Maximum legal and actual overtime hours, please state if possible per day, week, and month)</i>	Legal maximum: 2 hours/day during week; 8 hours /day at rest days; 200hours/year Portuguese law: law 7/2009, article 208 th	B1: 6h per day during the weekend / 6h per week / 18h per month in September 2022; 6h per day during the weekend / 6h per week / 12h per month in February 2023; 6h per day during the weekend / 6h per week / 18h per month in April 2023.	B2: <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
C: Wage for standard/contracted hours: <i>(Minimum legal and actual minimum wage at site, please state if possible per hr, day, week, and month)</i>	Legal minimum: 760,00 Euros / monthly (Decree-Law No. 85-A/2022, of December 22)	C1: 760€/month	C2: <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
D: Overtime wage: <i>(Minimum legal and actual minimum overtime wage at site, please state if possible per hr, day, week, and month)</i>	Legal minimum: 125% than regular working, for first hour and 137,5% the following hours, during week 150% than regular working hours at rest days and holidays, for the first 100 OT of the year and after 150% than regular working, for first hour and 175% the following hours, during week.	D1: 125% than regular working, for first hour and 137,5% the following hours, during week 150% than regular working hours at rest days and holidays, for the first 100 OT of the year and after 150% than regular working,	D2: <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No

	+ 200% than regular working hours at rest days and holidays.	for first hour and 175% the following hours, during week.	
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Wages analysis: (Click here to return to Key Information)	
A: Were accurate records shown at the first request?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
A1: If No , why not?	NA
B: Sample Size Checked <i>(State number of worker records checked and from which weeks/months – should be current, peak, and random/low. Please see SMETA Best Practice Guidance and Measurement Criteria)</i>	6h per day during the weekend / 6h per week / 18h per month in September 2022; 6h per day during the weekend / 6h per week / 12h per month in February 2023; 6h per day during the weekend / 6h per week / 18h per month in April 2023.
C: Are there different legal minimum wage grades? If Yes , please specify all.	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No C1: If Yes , please give details: N/A
D: If there are different legal minimum grades, are all workers graded and paid correctly?	<input type="checkbox"/> Yes <input type="checkbox"/> No <input checked="" type="checkbox"/> N/A D1: If No , please give details: N/A
E: For the lowest paid production workers, are wages paid for standard/contracted hours (excluding overtime) below or above the legal minimum?	<input type="checkbox"/> Below legal min <input checked="" type="checkbox"/> Meet <input checked="" type="checkbox"/> Above E1: Lowest actual wages found: <i>Note: full time employees and please state hour / week / month etc.</i> 760€ per month
F: Please indicate the breakdown of workforce per earnings:	F1: 0% of workforce earning under minimum wage F2: 42% of workforce earning minimum wage F3: 58% of workforce earning above minimum wage
G: Bonus Scheme found: Please specify details:	Bonus Scheme found: NA <i>Note: type of employee (e.g. full time, temp, etc.) and please state which units e.g. /hour /week /month etc.</i>
H: What deductions are required by law e.g. social insurance? Please state all types:	Social security (11%) and income taxes (variable percentage IRS tables)

I: Have these deductions been made?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	I1: Please list all deductions that have been made.	1. Social security (11%) 2. income taxes (variable percentage IRS tables) Please describe: deductions made according to local law
		I2: Please list all deductions that have not been made.	1. N/A 2. N/A Please describe: N/A
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	K1: Type <input type="checkbox"/> Poor record keeping <input type="checkbox"/> Isolated incident <input type="checkbox"/> Repeated occurrence:	
L: Do records reflect all time worked? (For instance, are workers asked to attend meetings before or after work but not paid for their time)	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	L1: Please give details: all hours worked are accurately paid	
M: Is there a defined living wage: <i>This is <u>not normally</u> minimum legal wage. If answered yes, please state amount and source of info: Please see SMETA Best Practice Guidance and Measurement Criteria.</i>	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	M1: Please specify amount/time: N/A	
M2: If yes, what was the calculation method used.	<input type="checkbox"/> ISEAL/Anker Benchmarks <input type="checkbox"/> Asia Floor Wage <input type="checkbox"/> Figures provided by Unions <input type="checkbox"/> Living Wage Foundation UK <input type="checkbox"/> Fair Wear Wage Ladder <input type="checkbox"/> Fairtrade Foundation Other – please give details: Na		
N: Are there periodic reviews of wages? If Yes give details (include whether there is consideration to basic needs of workers plus discretionary income).	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	N1: Please give details: Annual review of wage list for legal updates	
O: Are workers paid in a timely manner in line with local law?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No		
P: Is there evidence that equal rates are being paid for equal work:	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	P1: Please give details: workers received the category wage	

Q: How are workers paid:	<input type="checkbox"/> Cash <input type="checkbox"/> Cheque <input checked="" type="checkbox"/> Bank Transfer <input type="checkbox"/> Other Q1: If other, please explain: N/A
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6: Working Hours are not Excessive
[\(Click here to return to summary of findings\)](#)
[\(Click here to return to Key Information\)](#)

ETI

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

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

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

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

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

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

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

Current Systems and Evidence Examined

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

Current systems:

Details: The company work schedule is from Monday to Friday. Facility regular work schedule is from Monday to Friday: 8.00am-5.00pm with one-hour lunch break, and 10 min break in the morning. Weaving section works per shifts: 6.00am-2.00pm; 2.00am-10.00pm; 10.00pm-6.00am, with 30min lunch break. Employees work 40 regular hours a week, with 2 days off on Saturday and Sunday.

Evidence examined – to support system description (Documents examined & relevant comments. Include renewal/expiry date where appropriate): Facility provided 12 months of records and auditor selected 10 attendances for September 2022 (random month), 10 attendances for March 2023 (Peak month) and 10 attendances for April 2023 (last month paid).

Any other comments: None

Non-compliance:

1. Description of non-compliance: None observed

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

Local law and/or ETI requirement:

Recommended corrective action:

Objective evidence observed:

Na

Observation:

Description of observation: none observed

Local law or ETI requirement:

Comments:

Objective evidence observed: N/A

Good Examples observed:

Description of Good Example (GE): none observed

Objective Evidence Observed: N/A

Working hours' analysis Please include time e.g. hour/week/month (Go back to Key information)					
Systems & Processes					
A. What timekeeping systems are used: time card etc.	Describe: Biometric system – fingertip				
B: Is sample size same as in wages section?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No B1: If no, please give details				
C: Are standard/contracted working hours defined in all contracts/employment agreements?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	C1: If NO, please give details including % and which type of workers do NOT have standard hours defined in contracts/employment agreements. Please give details:			
D: Are there any other types of contracts/employment agreements used?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	D1: If YES, please complete as appropriate:			
		<input type="checkbox"/> 0 hrs	<input type="checkbox"/> Part time	<input type="checkbox"/> Variable hrs	<input type="checkbox"/> Other
		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	E1: If yes , please detail hours, %, types of workers affected and frequency Please give details: N/A			
F: Are workers provided with at least 1 day off in every 7-day-period, or 2 in 14-day-period?	F2: Please select all applicable: <input checked="" type="checkbox"/> 1 in 7 days <input type="checkbox"/> 2 in 14 days <input type="checkbox"/> No If 'No', please explain:	F3: Is this allowed by local law? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No			
		Maximum number of days worked without a day off (in sample):			
		6			

Standard/Contracted Hours worked		
G: Were standard working hours over 48 hours per week found?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	G1: If yes, % of workers & frequency: N/A
H: Any local waivers/local law or permissions which allow averaging/annualised hours for this site?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	H1: If yes, please give details: N/A
Overtime Hours worked		
I: Actual overtime hours worked in sample (State per day/week/month)	Highest OT hours: 6h per day during the weekend / 6h per week / 18h per month in September 2022; 6h per day during the weekend / 6h per week / 12h per month in February 2023; 6h per day during the weekend / 6h per week / 18h per month in April 2023.	
J: Combined hours (standard or contracted + overtime hours = total) over 60 found? Please give details:	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	
K: Approximate percentage of total workers on highest overtime hours:	20%	
L: Is overtime voluntary?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> Conflicting Information	L1: Please detail evidence e.g. Wording of contract / employment agreement / handbook / worker interviews / refusal arrangements: according to workers interviews
Overtime Premiums		
M: Are the correct legal overtime premiums paid?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A – there is no legal requirement to OT premium	M1: Please give details of normal day overtime premium as a % of standard wages: 1250% than regular working, for first hour and 137,5% the following hours, during week 150% than regular working hours at rest days and holidays, for the first 100 OT of the year.
N: Is overtime paid at a premium?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	N1: If yes, please describe % of workers & frequency: 100% of employees.

<p>O: If the site pays less than 125% OT premium and this is allowed under local law, are there other considerations? Please complete the boxes where relevant.</p>	<p> <input type="checkbox"/> No <input type="checkbox"/> Consolidated pay (May be standard wages above minimum legal wage, with no/low overtime premium) <input type="checkbox"/> Collective Bargaining agreements <input type="checkbox"/> Other Na </p> <p>O1: Please explain any checked boxes above e.g. detail of consolidated pay / CBA or Other</p> <p>Na – facility pays the overtime hours in accordance with law.</p>
<p>P: If more than 60 total hours per week and this is legally allowed, are there other considerations? Please complete the boxes where relevant.</p>	<p> <input type="checkbox"/> 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) Na </p> <p>P1: Please explain any checked boxes above e.g. detail of consolidated pay / CBA or other:</p> <p>Not applicable</p>
<p>Q: Is there evidence that overtime hours are being used for extended periods to make up for labour shortages or increased order volumes?</p>	<p> <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No Q1: If yes, please give details: </p>
<p>R: If sufficient workers cannot be hired, are new working time arrangements explored to ensure that overtime is the exception rather than the rule.</p>	<p> <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No </p>

7: No Discrimination is Practiced

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

ETI

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

Current Systems and Evidence Examined

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

Current systems:

Details: Facility procedures are in compliance with local Laws and Collective industry Agreements, which stated that workers should be employed on the basis of their ability to do the job, rather than on the basis of gender, age, disability, sexual orientation, racial characteristics, cultural or religious beliefs or similar factors. The facility recognised and respected cultural differences, employment (hiring, wages, benefits, advancement, termination, and retirement) shall be based on the worker's ability, not on personal characteristics

Evidence examined – to support system description (Documents examined & relevant comments. Include renewal/expiry date where appropriate): employment documents (hiring, wages, benefits), facility

Any other comments: None

A: Gender breakdown of Management + Supervisors (Include as one combined group)	A1: Male: 100% A2: Female: 0%
B: Number of women who are in skilled or technical roles e.g. where specific qualifications are needed i.e. machine engineer / laboratory analyst:	2
C: Is there any evidence of discrimination based on race, caste, national origin, religion, age, disability, gender, marital status, sexual orientation, union membership or political affiliation?:	<input type="checkbox"/> Hiring <input type="checkbox"/> Compensation <input type="checkbox"/> Access to training <input type="checkbox"/> Promotion <input type="checkbox"/> Termination or retirement <input checked="" type="checkbox"/> No evidence of discrimination found C1: Please give details:

Professional Development

A: What type of training and development are available for workers?
 Technical training on machines operations and quality.

B: Are HR decisions e.g. promotion, training, compensation based on objective, transparent criteria?
 Yes
 No
 If no, please give details:

Non-compliance:

<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>Objective evidence observed: (where relevant please add photo numbers) N/A</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: N/A</p>
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Good Examples observed:

<p>Description of Good Example (GE): None observed</p>	<p>Objective Evidence Observed: N/A</p>
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8: Regular Employment Is Provided

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

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

ETI

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

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

Additional Elements: Responsible Recruitment

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

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

8.5 Employment agencies must only supply workers registered with them.

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

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

Current Systems and Evidence Examined

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

Current systems:

Details: Facility has a history of maintenance and guaranty of employee's work. Employment contract follows the general law.

All Lipimalhas's employees were recruited by the facility directly.

The company Cláusula Tangivel contracted the company Landman (Agency) who provided a Nepalese temporary employee to this factory. The worker was interviewed and stated that received the contract labour, however, the payroll and attendance records were not provided.

Auditor noted that employees have a general knowledge of the conditions of the contract (remuneration and working hours). All employees had received copies of signed labour contracts.

Evidence examined – to support system description (Documents examined & relevant comments. Include renewal/expiry date where appropriate): workers contracts, pay slips and interview with employees.

Any other comments: None

Non-compliance:

1. Description of non-compliance: Auditor noted during manager interview, that the company use temporary workers provided by the company Landman Lda, however, the company Landman does not have the Permit to exercise temporary work activity in accordance with Decree-Law n. ° 358/89
 NC against ETI NC against Local Law NC against customer code:

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

Manager interview

Local law and/or ETI requirement:

Law: Decree-Law No. 358/89, of October 17: Article 7 license and registration 1 - The authorization for carrying out the activity of the temporary work company shall be stated in a numbered permit. 2 - The Institute of Employment and Professional Training organizes and keeps up to date the national register of temporary work companies. 3 - The registration referred to in the previous number is public, and any interested party may request a certificate of the registrations contained therein.

ETI: 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.

Recommended corrective action: The temporary agency must provide the permit to exercise temporary work activity or legal justification for the waiver of that license.

2. Description of non-compliance: During the audit it was not provided by the employment agency (Landman) the temporary worker payslips and attendance, so it was not possible to confirm if the payments and benefits are correct.

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

Local law and/or ETI requirement:

ETI: 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.

Recommended corrective action: It is recommended that the company ensure that all temporary workers receive their salary and benefits in accordance with the law and have a system in place to monitor the employment agency.

Observation:	
Description of observation: None observes Local law or ETI requirement: Comments:	Objective evidence observed: N/A

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

Responsible Recruitment

All Workers	
A: Were all workers presented with terms of employment at the time of recruitment, did they understand them and are they same as current conditions?	<input checked="" type="checkbox"/> Terms & Conditions presented <input checked="" type="checkbox"/> Understood by workers <input checked="" type="checkbox"/> Same as actual conditions A1: If any are unchecked, please describe finding and specific category(ies) of workers affected:
B: Did workers' pay any fees, taxes, deposits or bonds for the purpose of recruitment/placement?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No B1: If yes, please describe details and specific category(ies) of workers affected:
C: If yes, check all that apply:	<input type="checkbox"/> Recruitment / hiring fees <input type="checkbox"/> Service fees <input type="checkbox"/> Application costs <input type="checkbox"/> Recommendation fees <input type="checkbox"/> Placement fees <input type="checkbox"/> Administrative, overhead or processing fees <input type="checkbox"/> Skills tests <input type="checkbox"/> Certifications <input type="checkbox"/> Medical screenings <input type="checkbox"/> Passports/ID's <input type="checkbox"/> Work / resident permits <input type="checkbox"/> Birth certificates <input type="checkbox"/> Police clearance fees <input type="checkbox"/> Any transportation and lodging costs after employment offer <input type="checkbox"/> Any transport costs between work place and home <input type="checkbox"/> Any relocation costs after commencement of employment <input type="checkbox"/> New hire training / orientation fees <input type="checkbox"/> Medical exam fees <input type="checkbox"/> Deposit bonds or other deposits <input type="checkbox"/> Any other non-monetary assets <input type="checkbox"/> Other – C1: If other, please give details: NA
D: If any checked, give details:	Not applicable

Migrant Workers:	
<i>The term "migrant worker" refers to a person who is engaged or has been engaged in a remunerated activity in a country of which they are not a national or permanent resident or has purposely migrated on a temporary basis to another in-country region to seek and engage in a remunerated activity</i>	
A: Type of work undertaken by migrant workers:	There is one migrant worker from Landman company (agency)
B: Please give details about recruitment agencies for migrant workers:	B1: Total number of (in country recruitment agencies) used: 0 B2: Total number of (outside of local country) recruitment agencies used: 0

<p>C: Are migrant workers' voluntary deductions (such as for remittances) confirmed in writing by the worker and is evidence of the transaction supplied by the facility to the worker?</p>	<p><input type="checkbox"/> Yes <input checked="" type="checkbox"/> No C1: Please describe finding: There is only legal deduction (Social)</p>	<p>C2: Observations: Na</p>
<p>D: Are Any migrant workers in skilled, technical, or management roles</p> <p><i>Migrant Workers (this should include all migrant workers including permanent workers, temporary and/or seasonal workers)</i></p>	<p><input type="checkbox"/> Yes <input checked="" type="checkbox"/> No</p> <p>D1: If yes, number and example of roles: Na</p>	

NON-EMPLOYEE WORKERS

<p>Recruitment Fees:</p>	
<p>A: Are there any fees?</p>	<p><input type="checkbox"/> Yes <input checked="" type="checkbox"/> No</p>
<p>B: If yes, check all that apply:</p>	<ul style="list-style-type: none"> <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>B1 – If other, please give details: Na</p>
<p>C: If any checked, give details:</p>	<p>Not applicable</p>

Agency Workers (if applicable)

<p><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></p>	
A: Number of agencies used (average):	A1: Names if available: One - Landman
B: Were agency workers' age / pay / hours included within the scope of this audit?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
C: Were sufficient documents for agency workers available for review?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
D: Is there a legal contract / agreement with all agencies?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No D1: Please give details: work contract signed with Cláusula Tangível Company.
E: Does the site have a system for checking labour standards of agencies? If yes, please give details.	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No E1: Please give details: The Company does not usually monitor the social compliments to the Agency.

<p>Contractors:</p> <p><i>Note: contractors in this context are generally individuals who supply several workers to a site. Usually the contractors are paid by the site and the wages of the workers are paid by the contractor. Common terms include, gang bosses, labor provider,</i></p>	
A: Any contractors on site?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No A1: If yes, how many contractors are present, please give details: Not applicable
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 C1: Please describe finding:
D: If Yes , please give evidence for contractor workers being paid per law:	N/A

8A: Sub-Contracting and Homeworking

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

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

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

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

Note to auditor on homeworking:

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

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

Current Systems and Evidence Examined

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

Current systems:

Facility subcontracts 40% of knitting and 60% of tailoring and sewing process.

Process Subcontracted	Knitting and sewing
Name of facility	Rosa Textil, Lda
Address	Rua da Cruzinha, nº 212. Vila Nova de Quires, 4635-697- Marco de Canaveses, Portugal
Process Subcontracted	knitting
Name of facility	Sotrima-Sociedade De Tricotagem De Malhas, Lda
Address	R. do Calvário 138, 4425-314 Folgosa, Portugal
Process Subcontracted	knitting
Name of facility	Clothius – Tecelagem, Lda
Address	Rua da Estrada Real, 856, Carvalhal, Barqueiros, 4755-105, Barcelos, Portugal.
Process Subcontracted	knitting
Name of facility	Malhas Isabel Alta Moda e Design, Lda
Address	Rua Beco Pedra da Coelha, nº 2, Santa Maria de Seia, 6270-196, Portugal.
Process Subcontracted	Finishing
Name of facility	Cláusula Tangível, Lda
Address	Rua Manuel de Sousa Oliveira, nº 382, Martinho do Campo, Portugal.

Evidence examined – to support system description (Documents examined & relevant comments. Include renewal/expiry date where appropriate): Production records, facility tour, manager interview.

Details: None

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:
 (where relevant please add photo numbers)
 N/A

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: N/A

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

Summary of sub-contracting – if applicable <input type="checkbox"/> Not Applicable please x	
A: Has the auditor made a simple calculation to compare capacity with workers' work load in order to identify possible unrecorded work or undeclared sub-contracting	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No A1: Please describe: facility declared an average of 6000 articles/month and stated that works with subcontractor, 40% of knitting and 60% of tailoring and sewing process.
B: If sub-contractors are used, is there evidence this has been agreed with the main client?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No B1: If Yes , summarise details: Subcontracted work is always declared ad approved by costumers
C: Number of sub-contractors/agents used:	5
D: Is there a site policy on sub-contracting?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No D1: If Yes , summarise details: Facility only works with subcontractors who are committed to their social code of conduct.
E: What checks are in place to ensure no child labour is being used and work is safe?	Regular visits and some of the subcontractors are Social audited by their clients.

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

9: No Harsh or Inhumane Treatment is Allowed

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

ETI

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

Additional elements:

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

<p>A: Are there published, anonymous and/or open channels available for reporting any violations of Labour standards and H&S or any other grievances to a 3rd party?</p>	<p><input checked="" type="checkbox"/> Yes <input type="checkbox"/> No A1: Please give details: any labour violation can also report to the Portuguese labour agency, ACT, who always investigates, however, internally the facility does not provide any channels, apart from the open-door policy and annual surveys.</p>
<p>B: If Yes, are workers aware of these channels and have access? Please give details.</p>	<p>All workers interviewed stated that they have an open-door policy with facility. Also, they can go to the labour agency, if necessary, as it is a public channel.</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>Only open door, facility has no grievance mechanism</p>
<p>D: Which of the following groups is there a grievance mechanism in place for?</p>	<p><input checked="" type="checkbox"/> Workers <input type="checkbox"/> Communities <input type="checkbox"/> Suppliers <input type="checkbox"/> Other D1: Please give details: Facility does not provide any channels, apart from the open-door policy and annual surveys</p>
<p>E: Are there any open disputes?</p>	<p><input type="checkbox"/> Yes <input checked="" type="checkbox"/> No E1: If yes, please give details</p>
<p>F: Does the site encourage its business partners (e.g. suppliers) to provide individuals and communities with access to effective grievance mechanisms (e.g. helplines or whistle blowing mechanism)</p>	<p><input checked="" type="checkbox"/> Yes <input type="checkbox"/> No F1: If no, please give details</p>
<p>G: Is there a published and transparent disciplinary procedure?</p>	<p><input checked="" type="checkbox"/> Yes <input type="checkbox"/> No G1: If no, please explain</p>

<p>H: If yes, are workers aware of these the disciplinary procedure?</p>	<p><input checked="" type="checkbox"/> Yes <input type="checkbox"/> No</p> <p>H1: If no, please give details</p>
<p>I: Does the disciplinary procedure allow for deductions from wages (fines) for disciplinary purposes (see wages section)?</p>	<p><input type="checkbox"/> Yes <input checked="" type="checkbox"/> No</p> <p>I1: If yes, please give details</p>

Current Systems and Evidence Examined

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

Current systems:

Details: According to Portuguese labour law DI 7/2009 the employer can apply disciplinary measures such as the following, ordered from the soft to the extreme: Oral censure, written censure, disciplinary process, suspension from work without remuneration, loss of holiday days, and dismissal as the more extreme. The facility respects the provisions of National Laws, which includes Prohibition of Harassment or Abuse principle and encouraged employees to report instances of harassment or abuse without fear of retribution directly to Management. In fact, Management demonstrated respect for workers' mental, emotional and physical well-being with regard to any disciplinary action necessary. In case of need the facility will follow Portuguese law regarding disciplinary practices.

Evidence examined – to support system description (Documents examined & relevant comments. Include renewal/expiry date where appropriate): facility rules and regulations, employees' personnel records.

Any other comments: None

Non-compliance:

1. Description of non-compliance: None observed
 NC against ETI NC against Local Law NC against customer code:

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

N/A

Local law and/or ETI requirement:

Recommended corrective action:

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

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

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:

Details: Per document review, facility management representation and employee interview, all employees in the facility were local. All employees had the proper legal documents to work in this region. All of them were recruited directly by the facility. The company Cláusula Tangível contracted the company Landman (Agency) who provided temporary employee, with Nepalese nationality, to this factory. The migrant worker has work contract and was interviewed.

Evidence examined – to support system description (Documents examined & relevant comments. Include renewal/expiry date where appropriate): Employee's list, personnel records and employee's 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:
 (where relevant please add photo numbers)

N/A

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

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

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

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

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

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

10B2.2 The supplier should be aware of and comply with their end clients' environmental requirements. Note for auditors and readers, this is not a full environmental assessment but a check on basic systems and management approach.

Current Systems and Evidence Examined

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:

Details: Factory makes continuous improvements in their environmental performance and complies with all national and European laws and regulations. The site has no significant environmental impact.

During the facility visit, it was noted that facility has recycling practices: all the waste is segregated internally (fabric wastes, paper, plastic, packages and pallets) are sent for recycling or proper disposal, through authorized companies, facility also provided to correct final destinations others wastes as: Lamps, used oil and contaminated wastes and packings. They submitted the legal register from the wastes produced in 2022 to Portuguese Environmental Agency (Governmental program). Facility has no air sources emissions.

Facility has wastewater from laundry sector which is connected and destined for the treatment of "Tratave", however the company needs to analyse the parameters - BOD, COD, conductivity, pH and total suspended solids.

Evidence examined – to support system description (Documents examined & relevant comments. Include renewal/expiry date where appropriate): Solid waste records and MIRR 2022 submitted on 03/03/2023 and Term of authorization for connection to the integrated depollution system of Vale do Ave "Tratave" of 10/06/2020, without expiration date and annual wastewater analysis on 08.06.2022.

Any other comments: None

Non-compliance:

<p>1. Description of non-compliance: None observed <input type="checkbox"/> NC against ETI/Additional Elements <input type="checkbox"/> NC against Local Law</p> <p>Local law and/or ETI/Additional Elements requirement:</p> <p>Recommended corrective action:</p>	<p>Objective evidence observed: <i>(where relevant please add photo numbers)</i> N/A</p>
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Observation:	
<p>Description of observation: None observed</p> <p>Local law or ETI/additional elements requirement:</p> <p>Comments:</p>	<p>Objective evidence observed: N/A</p>

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

Other findings

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)

Facility a beneficent company supporting some charity institutions of community with money or product donations: donation of blankets to "IPO porto", clothing for the "legião da boa vontade" for the homeless and donation of toys and clothing "ASAS santo tirso".





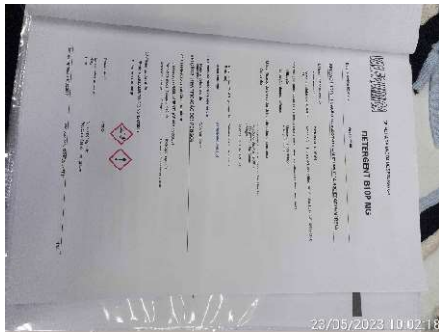




Appendix 1

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

Not Applicable please x

Photo Form

 <p>382 Rua Manuel de Sousa Oliveira Sao Martinho Porto 23/05/2023 12:39:27</p>	 <p>382 Rua Manuel de Sousa Oliveira Sao Martinho Porto 23/05/2023 12:39:30</p>	 <p>23/05/2023 05:50:02</p>
<p>Facility exterior overview</p>	<p>Facility exterior overview</p>	<p>Extinguisher, fire alarm and fire exit, emergency lighting</p>
 <p>23/05/2023 03:55:21</p>	 <p>23/05/2023 09:59:16</p>	 <p>23/05/2023 09:59:24</p>
<p>Fire alarm and working time register system</p>	<p>Notice board</p>	<p>Extinguisher with valid inspection</p>
 <p>23/05/2023 10:59:44</p>	 <p>23/05/2023 10:00:04</p>	 <p>23/05/2023 10:00:24</p>
<p>Electrical panel</p>	<p>Panel fotovoltaica</p>	<p>Fire station</p>

 <p>23/05/2023 10:00:53</p>	 <p>23/05/2023 10:01:01</p>	 <p>23/05/2023 10:01:18</p>
<p>knitting sector</p>	<p>knitting sector</p>	<p>Laundry Sector</p>
 <p>23/05/2023 10:01:31</p>	 <p>26/05/2023 10:02:18</p>	 <p>23/05/2023 10:04:02</p>
<p>Laundry chemicals</p>	<p>Chemical MSDs</p>	<p>Finishing sector</p>
 <p>23/05/2023 10:04:11</p>	 <p>23/05/2023 10:04:37</p>	 <p>23/05/2023 10:04:45</p>
<p>Ironing sector</p>	<p>Press machine</p>	<p>Machine with emergency button</p>



Sewing sector



Packaging sector



Smoke detector



Fire exit and emergency lighting



Extinguisher



Final product storage



First aid kit




First aid kit



Dress room – Lockers

 <p>23/05/2023 10:10:30</p>	 <p>23/05/2023 10:10:38</p>	 <p>23/05/2023 10:11:59</p>
<p>WC – Lavatory</p>	<p>WC – Sanitary</p>	<p>Employee using PPE</p>

 <p>23/05/2023 10:11:50</p>	 <p>23/05/2023 10:12:01</p>	 <p>23/05/2023 10:12:18</p>
<p>Water for employees</p>	<p>Canteen / Social area</p>	<p>Selective garbage</p>

 <p>23/05/2023 10:13:07</p>	 <p>23/05/2023 10:13:12</p>	 <p>23/05/2023 10:10:08</p>
<p>Emergency route signage</p>	<p>Fire alarm</p>	<p>ventilation system</p>



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

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

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