SMETA Corrective Action Plan Report (CAPR)

Version 6.1

Audit Details			
Sedex Company Reference: *(only available on Sedex System)*	ZC: ZC412573698	Sedex Site Reference: *(only available on Sedex System)*	ZS: ZS412573711
Business name (Company name):	[redacted]		
Site name:	[redacted]		
Site address: *(Please include full address)*	[redacted]	Country:	Brasil
Site contact and job title:	[redacted](Coordenador de SESMT)		
Site phone:	55 51 3565-8100	Site e–mail:	[redacted]
SMETA Audit Pillars:	☒ Labour Standards	☒ Health & Safety (plus Environment 2-Pillar)	☒ Environment 4-pillar ☒ Business Ethics
Date of Audit:	24 a 26/05/2023		

Audit Company Name & Logo:	Report Owner (payer): *(If paid for by the customer of the site please remove for Sedex upload)*
intertek Total Quality. Assured.	[redacted]

Audit Conducted By					
Affiliate Audit Company	☒	Purchaser	☐	Retailer	☐
Brand owner	☐	NGO	☐	Trade Union	☐
Multi–stakeholder	☐		Combined Audit (select all that apply)		

Audit Content:

(1) A SMETA audit was conducted which included some or all of Labour Standards, Health & Safety, Environment and Business Ethics. The SMETA Best Practice Version 6.1 (March 2019) 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): NA

Auditor Team (s) (please list all including all interviewers):
Lead auditor: Rodrigo Dias Medeiros APSCA number: RA 21701382
Lead auditor APSCA status: RA. Good Standing.
Team auditor: Fabricio Lemes APSCA number: ASCA 32200368
Interviewers: Fabricio Lemes APSCA number: ASCA 32200368

Report writer: Rodrigo Dias Medeiros RA 21701382
Report reviewer: Lucas Amurim Report Reviewer

Date of declaration: 26/05/2023
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.

Audit Parameters

Audit Parameters			
A: Time in and time out	Day 1 Time in: 01:30 p.m Day 1 Time out: 05:30 p.m	Day 2 Time in: 08:30 a.m Day 2 Time out: 07:30 p.m	Day 3 Time in: 08:30 a.m Day 3 Time out: 07:30 p.m
B: Number of auditor days used:	2,5 X 2 auditors		
C: Audit type:	☐ Full Initial ☒ Periodic ☐ Full Follow–up ☐ Partial Follow–Up ☐ Partial Other If other, please define:		
D: Was the audit announced?	☒ Announced ☐ Semi – announced: Window detail: weeks ☐ Unannounced		
E: Was the Sedex SAQ available for review?	☒ Yes ☐ No If No, why not		
F: Any conflicting information SAQ/Pre-Audit Info to Audit findings?	☐ Yes ☒ No If **Yes**, please capture detail in appropriate audit by clause		
G: Who signed and agreed CAPR *(Name and job title)*	Gerson Luis Wirth / SESMT Coordenator		
H: Is further information available *(if yes, please contact audit company for details)*	☐ Yes ☒ No		
I: Previous audit date:	28/10/2020		
J: Previous audit type:	Periodic		
K: Were any previous audits reviewed for this audit	☐ Yes ☐ No ☒ N/A		

Audit attendance	**Management**	**Worker Representatives**	
	Senior management	Worker Committee representatives	Union representatives
A: Present at the opening meeting?	☒ Yes ☐ No	☒ Yes ☐ No	☐ Yes ☒ No
B: Present at the audit?	☒ Yes ☐ No	☐ Yes ☒ No	☐ Yes ☒ No
C: Present at the closing meeting?	☒ Yes ☐ No	☒ Yes ☐ No	☐ Yes ☒ No
D: If Worker Representatives were not present please explain reasons why *(only complete if no worker reps present)*	CIPA (Accident prevention committee) president was present at the meetings.		
E: If Union Representatives were not present please explain reasons why: *(only complete if no union reps present)*	The only union representative in the company, requested leave to dedicate himself to activities with the union.		

Guidance

The Corrective Action Plan Report summarises the site audit findings and a corrective, and preventative action plan that both the auditor and the site manager believe is reasonable to ensure conformity with the ETI Base Code, Local Laws and additional audited requirements. After the initial audit, the form is used to re-record actions taken and to categorise the status of the non-compliances.

N.B. observations and good practice examples should be pointed out at the closing meeting as well as discussing non-compliances and corrective actions.

To ensure that good practice examples are highlighted to the supplier and to give a more 'balanced' audit a section to record these has been provided on the CAPR document (see following pages) which will remain with the supplier. They will be further confirmed on receipt of the audit report.

Root cause (see column 4)

Root cause refers to the specific procedure or lack of procedure which caused the issue to arise. Before a corrective action can sustainably rectify the situation, it is important to find out the real cause of the non-compliance and whether a system change is necessary to ensure the issue will not arise again in the future.

See SMETA BPG Chapter 7 'Audit Execution' for more explanation of "root cause".

Next Steps:

1. The site shall request, via Sedex, that the audit body upload the audit report, non-compliances, observations and good examples. If you have not already received instructions on how to do this then please visit the web site www.sedexglobal.com.
2. Sites shall action its non-compliances and document its progress via Sedex.
3. Once the site has effectively progressed through its actions then it shall request via Sedex that the audit body verify its actions. Please visit www.sedexglobal.com web site for information on how to do this.
4. The audit body shall verify corrective actions taken by the site by either a "Desk-Top" review process via Sedex or by Follow-up Audit (see point 5).
5. Some non-compliances that cannot be closed off by "Desk-Top" review may need to be closed off via a "1 Day Follow Up Audit" charged at normal fee rates. If this is the case, then the site will be notified after its submission of documentary evidence relating to that non-compliance. Any follow-up audit must take place within twelve months of the initial audit and the information from the initial audit must be available for sign off of corrective action.
6. For changes to wages and hours to be correctly verified it will normally require a follow up site visit. Auditors will generally require to see a minimum of two months wages and hours records, showing new rates in order to confirm changes (note some clients may ask for a longer period, if in doubt please check with the client).

Corrective Action Plan

Corrective Action Plan – non-compliances									
Non-Compliance Number *The reference number of the non-compliance from the Audit Report, for example, Discrimination No.7*	**New or Carried Over** *Is this a new non-compliance identified at the follow-up or one carried over (C) that is still outstanding*	**Details of Non-Compliance** *Details of Non-Compliance*	**Root cause** *(completed by the site)*	**Preventative and Corrective Actions** *Details of actions to be taken to clear non-compliance, and the system change to prevent re-occurrence (agreed between site and auditor)*	***Timescale*** *(Immediate, 30, 60, 90,180,365)*	**Verification Method** *Desktop / Follow-Up [D/F]*	**Agreed by Management and Name of Responsible Person:** *Note if management agree to the non-compliance, and document name of responsible person*	**Verification Evidence and Comments** *Details on corrective action evidence*	**Status** *Open/Closed or comment*
1) N°. 6. Working hours	New	Confirmed in the analysis of attendance records, two out of sixty-two workers, working more than two hours of overtime per day. Employee A Works a six-hour day shift. From 07:00 a.m to 12:00 a.m with a 15-minute break. 12/12/2022. Worked from 05:58 to 08:51. From 09:06 to 12:01. From 13:00 to 17:00. Total overtime: 4:00 13/12/2022. Worked from 05:57 to 08:49. From 09:04 to 12:00. From 13:00 to 17:00. Total overtime: 4:00 14/12/2022. Worked from 05:58 to 08:49. From 09:04 to 12:01. From 13:01 to 17:01. Total overtime: 4:00 Employee B	☐ Training ☐ Systems ☐ Costs ☐ lack of workers ☒ Other – please give details: difference in interpretation of local law.	The company must respect the maximum daily overtime limit. A empresa deve respeitar o limite máximo diário de horas extras.	30 days	Desktop	[redacted]/ HR Manager	NA	Open

		Works a six-hour day shift. From 07:00 a.m to 12:00 a.m with a 15-minute break. 28/11/2022. Worked from 05:58 to 09:11. From 09:26 to 12:03. From 13:05 to 17:00. Total overtime: 4:00 29/11/2022. Worked from 05:57 to 09:23. From 09:38 to 12:04. From 13:05 to 17:00. Total overtime: 4:00 30/11/2022. Worked from 05:57 to 09:06. From 09:21 to 12:02. From 13:12 to 17:00. Total overtime: 4:00 01/12/2022. Worked from 05:57 to 08:55. From 09:10 to 12:03. From 13:00 to 16:59. Total overtime: 4:00 05/12/2022. Worked from 05:59 to 09:13. From 09:28 to 12:03. From 13:05 to 17:00. Total overtime: 4:00 07/12/2022. Worked from 05:57 to 08:38. From 08:53 to 12:03. From 13:05 to 16:57. Total overtime: 4:00 27/03/2023. Worked from 05:58 to 09:02. From 09:17 to 12:01. From 13:05 to 17:00. Total overtime: 4:00 17/04/2023. Worked from 05:56 to 09:10. From 09:25 to 12:01. From 13:01 to 16:59. Total overtime: 4:00 Worked from 05:58 to 08:49. From 09:04 to 12:01. From 13:01 to 17:01. Total overtime: 4:00 18/04/2023. Worked from 05:58 to 09:25. From 09:40							

		to 12:01. From 13:05 to 17:01. Total overtime: 4:00 20/04/2023. Worked from 05:58 to 08:54. From 09:09 to 12:01. From 13:06 to 16:59. Total overtime: 4:00 04/25/2023. Worked from 05:58 to 09:27. From 09:42 to 12:01. From 13:05 to 17:01. Total overtime: 4:00 Legal basis: CLT Art. 59. The daily duration of work may be increased by overtime, not exceeding two hours, by individual agreement, collective agreement or collective bargaining agreement Confirmado em análise de folhas ponto, dois de sessenta e dois trabalhadores, realizando mais de duas horas extras diárias. Funcionário A Realiza turno de seis horas. Das 07:00 as 12:00 com 15 minutos de intervalo. 12/12/2022. Trabalhou das 05:58 as 08:51. Das 09:06 as 12:01. Das 13:00 as 17:00. Total de horas extras: 4:00 13/12/2022. Trabalhou das 05:57 as 08:49. Das 09:04 as 12:00. Das 13:00 as 17:00. Total de horas extras: 4:00							

		14/12/2022. Trabalhou das 05:58 as 08:49. Das 09:04 as 12:01. Das 13:01 as 17:01. Total de horas extras: 4:00 Funcionário B Realiza turno de seis horas. Das 07:00 as 12:00 com 15 minutos de intervalo. 28/11/2022. Trabalhou das 05:58 as 09:11. Das 09:26 as 12:03. Das 13:05 as 17:00. Total de horas extras: 4:00 29/11/2022. Trabalhou das 05:57 as 09:23. Das 09:38 as 12:04. Das 13:05 as 17:00. Total de horas extras: 4:00 30/11/2022. Trabalhou das 05:57 as 09:06. Das 09:21 as 12:02. Das 13:12 as 17:00. Total de horas extras: 4:00 01/12/2022. Trabalhou das 05:57 as 08:55. Das 09:10 as 12:03. Das 13:00 as 16:59. Total de horas extras: 4:00 05/12/2022. Trabalhou das 05:59 as 09:13. Das 09:28 as 12:03. Das 13:05 as 17:00. Total de horas extras: 4:00 07/12/2022. Trabalhou das 05:57 as 08:38. Das 08:53 as 12:03. Das 13:05 as 16:57. Total de horas extras: 4:00 27/03/2023. Trabalhou das 05:58 as 09:02. Das 09:17 as 12:01. Das 13:05							

		as 17:00. Total de horas extras: 4:00 17/04/2023. Trabalhou das 05:56 as 09:10. Das 09:25 as 12:01. Das 13:01 as 16:59. Total de horas extras: 4:00 Trabalhou das 05:58 as 08:49. Das 09:04 as 12:01. Das 13:01 as 17:01. Total de horas extras: 4:00 18/04/2023. Trabalhou das 05:58 as 09:25. Das 09:40 as 12:01. Das 13:05 as 17:01. Total de horas extras: 4:00 20/04/2023. Trabalhou das 05:58 as 08:54. Das 09:09 as 12:01. Das 13:06 as 16:59. Total de horas extras: 4:00 25/04/2023. Trabalhou das 05:58 as 09:27. Das 09:42 as 12:01. Das 13:05 as 17:01. Total de horas extras: 4:00 Base legal: CLT Art. 59. A duração diária do trabalho poderá ser acrescida de horas extras, em número não excedente de duas, por acordo individual, convenção coletiva ou acordo coletivo de trabalho							
2) N° 3. Working Conditions	New	Evidenced during the facility tour, in the rubber sector, one out of five cylinder machines, where its operator	☒ Training ☐ Systems ☐ Costs ☐ lack of workers	The company must conduct employee training for safety awareness, preventing	30 days	Follow up	[redacted] / SESMT Coordanator	NA	Open

		circumvented the protection system. He used a piece of Styrofoam to block the machine's safety sensor, not allowing it from stopping its activity when the employee bumps into the safety bar. Legal basis: NR 12 item 12.5.2 The security systems must be selected and installed in order to meet the following requirements: d) installation in a way that makes their circumvention difficult; Averiguado no decorrer da visita as instalações, no setor de borracha, uma de cinco máquinas de cilindro, onde seu operador burlou o sistema de proteção. O mesmo usou um pedação de isopor para bloquear o sensor de segurança da máquina, impedindo que a mesma para sua atividade quando o funcionário esbarre na barra de segurança. Base legal: NR 12 item 12.5.2 Os sistemas de segurança devem ser selecionados e instalados de modo a	☐ Other – please give details:	recurrence of their unsafe act. A empresa deve realizar treinamento do funcionário para conscientização de segurança, prevenindo recorrência de seu ato inseguro.					

		atender aos seguintes requisitos: d) instalação de modo que dificulte a sua burla;							
3) N° 3. Working Conditions	NEW	Evidenced in the facility tour, power transmission belt of the boiler exhaust without proper protection. Likewise, in production pavilions 3, 5 and 6, seven out of seven production mats machines were observed without protection on their cylinders. Legal basis: NR 12 item 12.5.1 The danger zones of machinery and equipment must have safety systems, characterized by fixed protections, mobile protections and interconnected safety devices, which protect the health and physical integrity of workers. Evidenciado em visita as instalações, correia de transmissão de força do exaustor da caldeira sem a devida proteção. Da mesma forma, nos pavilhões de produção 3, 5 e 6, foram observadas sete de sete esteiras de produção sem proteção em seus cilindros.	☐ Training ☒ Systems ☐ Costs ☐ lack of workers ☐ Other – please give details:	The company must allocate the necessary protections in the risk zones of machines that do not have them. A empresa deve alocar as devidas proteções nas zonas de risco das maquinas que não as possuem.	90 dias	Follow up	[redacted] / SESMT Coordanator	NA	Open

		Base legal: NR 12 item 12.5.1 As zonas de perigo das máquinas e equipamentos devem possuir sistemas de segurança, caracterizados por proteções fixas, proteções móveis e dispositivos de segurança interligados, que resguardem proteção à saúde e à integridade física dos trabalhadores.							
4) N° 3. Working Conditions	NEW	Checked on the facility tour, in the rubber sector, one out of two weighing workstations without Colective Protection Equipament (dust extractor) (and the manipulated rubbers contain silica). Verified worker working on site without using PPE to make up for the lack of an exhaust fan. The PGR (risk prevention program) indicates the need for an exhaust fan as an EPC to keep silica levels below the tolerance limit. Legal basis: NR 01. Item 1.4.1 It is up to the employer to:) implement preventive measures, after hearing the workers, according to the following order of priority:	☐ Training ☒ Systems ☐ Costs ☐ lack of workers ☐ Other – please give details:	The company must install the extractor hood at the workstation. Until you deploy PPE, you must provide the appropriate PPE to the site employee. A empresa deve realizar o exaustor no posto de trabalho. Enquanto não implantar o EPI, deve fornecer o EPI adequado ao funcionário do local.	90 days	Follow up	[redacted] / SESMT Coordanator	NA	Open

		I. elimination of risk factors; II. minimization and control of risk factors, with the adoption of collective protection measures; III. minimization and control of risk factors, with the adoption of administrative or work organization measures; and IV. adoption of individual protection measures. Verificado em visita as instalações, no setor de borracha, um de dois postos de trabalho de pesagem sem EPC (exaustor de pó), sendo que as borrachas manipuladas contem sílica. Verificado trabalhador atuando no local sem uso de EPI para suprir falta do exaustor. Consta em PGR a indicação da necessidade de exaustor como EPC para manter os níveis de sílica abaixo do limite de tolerância. Base legal: NR 01. Item 1.4.1 Cabe ao empregador:) implementar medidas de prevenção, ouvidos os trabalhadores, de acordo com a seguinte ordem de prioridade: I. eliminação dos fatores							

		de risco; II. minimização e controle dos fatores de risco, com a adoção de medidas de proteção coletiva; III. minimização e controle dos fatores de risco, com a adoção de medidas administrativas ou de organização do trabalho; e IV. adoção de medidas de proteção individual.							
5) N° 3. Working Conditions	NEW	Verified during the facility tour, in production pavilion 2 (where the administration, modeling, samples, maintenance sectors are located) with its inoperative emergency alarm system. At the same time, no substitute system was provided. Legal basis: CBMRS NORMATIVE INSTRUCTION No. 021/CBMRS/DSPCI/2020. Art. 1 - For buildings and/or areas at risk of fire that require the security measure of fire detection and/or fire alarm, the triggering of the general alarm in the entire building and/or area at risk of fire must occur in up to 02 (two) minutes after activation of the automatic fire detector and/or manual trigger, if the necessary measures	☐ Training ☒ Systems ☐ Costs ☐ lack of workers ☐ Other – please give details:	The company must relocate its emergency alarm system, and until it does not, provide a temporary system. A empresa deve realocar seu sistema de alarme de emergência, e enquanto não o fizer, providenciar sistema temporário.	90 days	Follow up	[redacted] / SESMT Coordanator	NA	Open

		are not taken to restore the fire alarm system within this time interval. Verificado no decorrer da visita as instalações, no pavilhão 2 de produção (onde ficam os setores de administração, modelagem, amostras, manutenção) com seu sistema de alarme de emergência inoperante. Ao mesmo tempo, não foi providenciado sistema substituto. Base legal: CBMRS INSTRUÇÃO NORMATIVA N.º 021/CBMRS/DSPCI/2020. Art. 1º – Para as edificações e/ou áreas de risco de incêndio que requeiram a medida de segurança de detecção de incêndio e/ou alarme de incêndio, o disparo do alarme geral em toda a edificação e/ou área de risco de incêndio deverá ocorrer em até 02 (dois) minutos após a ativação do detector automático de incêndio e/ou do acionador manual, se não forem tomadas as medidas necessárias para o restabelecimento do sistema de alarme de							

		incêndio neste intervalo de tempo.							
6) N° 3. Working Conditions	NEW	Evidenced along the facility tour, in the waste sector, employee acting on a suspended box allocated on the forklift, in an irregular condition and without equipment for working at height, and without the respective course of working at height. Legal basis: NR 35 item 35.4.1.1 An authorized worker for work at height is considered to be a trained worker whose health status has been assessed, having been considered fit to carry out his activities. Evidenciado em visita as instalações, no setor de resíduos, funcionário atuando sobre caixa suspensa alocada na empilhadeira, em condição irregular e sem equipamentos de trabalho em altura, e sem respectivo curso de trabalho em altura. Base legal: NR 35 item 35.4.1.1 Considera-se trabalhador autorizado para trabalho em altura aquele capacitado cujo	☒ Training ☐ Systems ☐ Costs ☐ lack of workers ☐ Other – please give details:	The company must allows work at height only by trained employees. A empresa permitir trabalho em altura apenas por funcionários capacitados.	30 days	Follow up	[redacted] / SESMT Coordanator	NA	Open

		estado de saúde foi avaliado, tendo sido considerado apto para executar suas atividades.							

Corrective Action Plan – Observations				
Observation Number *The reference number of the observation from the Audit Report, for example, Discrimination No.7*	**New or Carried Over** *Is this a new observation identified at the follow-up or one carried over (C) that is still outstanding*	**Details of Observation** *Details of Observation*	**Root cause** *(completed by the site)*	**Any improvement actions discussed** *(Not uploaded on to SEDEX)*
NA	NA	NA	NA	NA
NA	NA	NA	NA	NA
NA	NA	NA	NA	NA
NA	NA	NA	NA	NA
NA	NA	NA	NA	NA

Good examples		
Good example Number *The reference number of the good example from the Audit Report, for example, Discrimination No.7*	**Details of good example noted**	**Any relevant Evidence and Comments**

3. Working conditions and safe and hygienic	Doctor assistance in the factory.	NA
3. Working conditions and safe and hygienic	Dentist and pharmacy agreement for employees.	NA
5. Living wages and benefits	Food itens award for those who not have absences along the month.	NA
5. Living wages and benefits	Lunch for employees with only 20% of the value of the lunch.	NA
10C. Business ethics 4 pillar	Free English course for any employee.	NA
10C. Business ethics 4 pillar	Payment of one college subject, per semester, for employees who are studding related college courses.	NA
10C. Business ethics 4 pillar	Payment high school for employees who did not finish it.	NA
10B4. Environmental 4 pillar	Purchase of renewable energy	NA
10B4. Environmental 4 pillar	No waste is sent to legal landfills. Every waste has a suitable destination.	NA

Confirmation

Please sign this document confirming that the above findings have been discussed with and understood by you: (site management) *If actual signatures are not possible in electronic versions, please state the name of the signatory in applicable boxes, as indicating the signature.*		
A: Site Representative Signature:	[redacted]	Title SESMT Coordanator Date 26/05/2023
B: Auditor Signature:	Rodrigo Dias Medeiros	Title Auditor Date 26/05/2023
C: Please indicate below if you, the site management, dispute any of the findings. No need to complete D-E, if no disputes.		
D: *I dispute the following numbered non-compliances: NA*		
E: Signed: *(If any entry in box D, please complete a signature on this line)*	NA	Title NA Date NA
F: Any other site Comments: NA		

Guidance on Root Cause

Explanation of the Root Cause Column

If a non-compliance is to be rectified by a corrective action which will also prevent the non-compliance re-occurring, it is necessary to consider whether a system change is required.

Understanding the root cause of the non-compliance is essential if a site is to prevent the issue re-occurring.

The root cause refers to the specific activity/ procedure or lack of activity /procedure which caused the non-compliance to arise. Before a corrective action can rectify the situation, it is important to find out the real cause of the non-compliance and whether a system change is necessary to ensure the issue will not arise again in the future.

Since this is a new addition, it is not a mandatory requirement to complete this column at this time. We hope to encourage auditors and sites to think about Root Causes and where they are able to agree, this column may be used to describe their discussion.

Some examples of finding a "root cause"

Example 1
Where excessive hours have been noted the real reason for these needs to be understood, whether due to production planning, bottle necks in the operation, insufficient training of operators, delays in receiving trims, etc.

Example 2
A non-compliance may be found where workers are not using PPE that has been provided to them. This could be the result of insufficient training for workers to understand the need for its use; a lack of follow-up by supervisors aligned to a proper set of factory rules or the fact that workers feel their productivity (and thus potential earnings) is affected by use of items such as metal gloves.

Example 3
A site uses fines to control unacceptable behaviour of workers.

International standards (and often local laws) may require that workers should not be fined for disciplinary reasons.

It may be difficult to stop fines immediately as the site rules may have been in place for some time, but to prevent the non-compliance re- occurring it will be necessary to make a system change.

The symptom is fines, but the root cause is a management system which may break the law. To prevent the problem re-occurring it will be necessary to make a system change for example the site could consider a system which rewards for good behaviour

Only by understanding the underlying cause can effective corrective actions be taken to ensure continuous compliance.

The site is encouraged to complete this section so as to indicate their understanding of the issues raised and the actions to be taken.

For more information visit: Sedexglobal.com

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

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

Click here for Buyer (A) & Buyer/Supplier (A/B) members:

http://www.surveymonkey.com/s.aspx?sm=riPsbE0PQ52ehCo3lnq5lw_3d_3d

Click here for Supplier (B) members:

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

Click here for Auditors:

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