





# SMETA Corrective Action Plan Report (CAPR)

Version 6.1



Audit Details			
Sedex Company Reference: <i>(only available on Sedex System)</i>	ZC: 413807913	Sedex Site Reference: <i>(only available on Sedex System)</i>	ZS: 414212474
Business name (Company name):	AVOPERLA SA DE CV		
Site name:	AVOPERLA SA DE CV		
Site address: <i>(Please include full address)</i>	CARRETERA URUAPAN SAN NUEVO KM 4.5 COL JICALÁN	Country:	Mexico
Site contact and job title:	Ignacio Cornelio, General Director		
Site phone:	4525246288	Site e-mail:	gerenteadministrativo@avoperla.mx
SMETA Audit Type:	<input checked="" type="checkbox"/> Labour Standards	<input checked="" type="checkbox"/> Health & Safety	<input type="checkbox"/> Environment <input type="checkbox"/> Business Ethics
Date of Audit:	May 27, 2021		

<b>Audit Company Name &amp; Logo:</b> Primus Auditing Ops 	<b>Report Owner (payee):</b> AVOPERLA SA DE CV 
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Audit Conducted By Primus Auditing Ops					
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)			

## 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): None

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

Lead auditor: CESAR PACHECO

Team auditor: NA

Interviewers: CESAR PACHECO

Report writer: CESAR PACHECO

Report reviewer: Liliana Camacho Salazar

Date of declaration: May 27<sup>th</sup>, 2021

*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: 10:00 Day 1 Time out: 18:00	Day 2 Time in: Day 2 Time out:	
B: Number of Auditor Days Used:	1 Auditor, 1 Days		
C: Audit type:	<input checked="" type="checkbox"/> Full Initial <input type="checkbox"/> Periodic <input type="checkbox"/> Full Follow-up <input type="checkbox"/> Partial Follow-Up <input type="checkbox"/> Partial Other – Define		
D: Was the audit announced?	<input checked="" type="checkbox"/> Announced <input type="checkbox"/> Semi – announced: Window detail:    weeks <input type="checkbox"/> Unannounced		
E: Was the Sedex SAQ available for review?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No If No, why not The Sedex SAQ was provided by factory		
F: Any conflicting information SAQ/Pre-Audit Info to Audit findings?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No If <b>Yes</b> , please capture detail in appropriate audit by clause		
G: Who signed and agreed CAPR (Name and job title)	Ignacio Cornelio; General Director		
H: Is further information available (if Y please contact audit company for details)	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No		
I: Previous audit date:	NA		
J: Previous audit type:	N/A		
K: Was any previous audit reviewed during 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>	No worker committee		
E: If Union Representatives were not present please explain reasons why: <i>(only complete if no union reps present)</i>	There is no Union at site		

## 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](http://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](http://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 <i>The reference number of the non-compliance from the Audit Report, for example, Discrimination No.7</i>	New or Carried Over <i>Is this a new non-compliance identified at the follow-up or one carried over (C) that is still outstanding</i>	Details of Non-Compliance <i>Details of Non-Compliance</i>	Root cause <i>(completed by the site)</i>	Preventative and Corrective Actions <i>Details of actions to be taken to clear non-compliance, and the system change to prevent re-occurrence (agreed between site and auditor)</i>	Timescale <i>(Immediate, 30, 60, 90,180,365)</i>	Verification Method <i>Desktop / Follow-Up [D/F]</i>	Agreed by Management and Name of Responsible Person: <i>Note if management agree to the non-compliance, and document name of responsible person</i>	Verification Evidence and Comments <i>Details on corrective action evidence</i>	Status <i>Open/Closed or comment</i>
NC1 0B. Management system and Code Implementation (1)	New	La fabrica no ha comunicado el codigo etico a sus proveedores./The Facility has not communicate the ethical code to its providers.	<input type="checkbox"/> Training <input checked="" type="checkbox"/> System <input type="checkbox"/> Cost <input type="checkbox"/> Lack of workers <input type="checkbox"/> Other – please give details:	La fabrica debera comunicar el codigo de conducta con sus proveedores/The facility shall communicate, their ethical code to its providers	90 days	D	Ignacio Cornelio/General Director		Open
NC2 3. Working Conditions are Safe and Hygienic (1)	New	La fabrica no ha designado a un responsable de seguridad y salud en el trabajo./There is no safety officer appointed by the employer.	<input type="checkbox"/> Training <input checked="" type="checkbox"/> System <input type="checkbox"/> Cost <input type="checkbox"/> Lack of workers <input type="checkbox"/> Other – please give details:	La fabrica deberá designar a un responsable de seguridad e higiene. /The facility shall appoint a responsible person in charge of facility's Health and safety	30 days	D	Ignacio Cornelio/General Director		Open
NC3 3. Working Conditions are Safe and Hygienic (2)	New	Los cargos de Coordinador y Secretario de la comision de seguridad e higiene ambos recaen en representantes del patron./The positions of Coordinator and Secretary both fall on representatives of the employer.	<input type="checkbox"/> Training <input checked="" type="checkbox"/> System <input type="checkbox"/> Cost <input type="checkbox"/> Lack of workers <input type="checkbox"/> Other – please give details:	Se debera tener un representante del patron y de los trabajadores en los cargos de Coordinador y Secretario y alternarse cada dos años. /There must be a representative of the employer and of	90 days	D	Ignacio Cornelio/General Director		Open



				the workers in the positions of Coordinator and Secretary and alternate every two years.					
NC4 3. Working Conditions are Safe and Hygienic (3)	New	La comision de seguridad e higiene no cuenta con: investigacion de accidentes./The Health and safety committee has no: accidents investigations.	<input type="checkbox"/> Training <input checked="" type="checkbox"/> System <input type="checkbox"/> Cost <input type="checkbox"/> Lack of workers <input type="checkbox"/> Other – please give details:	Asegúrese de conformar una comision de seguridad e higiene, capacitarla y mantener el acta constitutiva correspondiente, realizar un programa de recorridos y mantengase registros de ello./The factory shall ensure to integrate and train a health and safety committee, schedule of tours and keep records	90 days	D	Ignacio Cornelio/General Director		Open
NC5 3. Working Conditions are Safe and Hygienic (4)	New	No se ha señalado la altura maxima de las estibas en el area de almacen de lavado de cajas/There was no designated maximum height of the stacks in the washing box storage areas.	<input type="checkbox"/> Training <input checked="" type="checkbox"/> System <input type="checkbox"/> Cost <input type="checkbox"/> Lack of workers <input type="checkbox"/> Other – please give details:	La fabrica deberá asegurarse de marcar adecuadamente la altura maxima de estiba./The factory shall ensure to properly mark the maximum height of the stacks.	30 days	D	Ignacio Cornelio/General Director		Open

NC6 3. Working Conditions are Safe and Hygienic (5)	New	Se pudo notar que no se cuentan con analisis de riesgo de ruido, iluminación, agentes quimicos en medio ambiente laboral, electricidad estatica./It was noted that there was no risk assessment on Noise, lighting, determination of pollutants, static electricity grounding, Chemical substances, .	<input type="checkbox"/> Training <input checked="" type="checkbox"/> System <input type="checkbox"/> Cost <input type="checkbox"/> Lack of workers <input type="checkbox"/> Other – please give details:	La fabrica deberá asegurarse de conducir y actualizar todos los estudios de riesgo requeridos./The factory shall perform all required risk assessments	30 days	D	Ignacio Cornelio/General Director		Open
NC7 3. Working Conditions are Safe and Hygienic (6)	New	No se cuenta con las pruebas requeridas a 1 de 1 equipos a presion instalados./There is no required test to 1 of 1 pressure vessels installed.	<input type="checkbox"/> Training <input checked="" type="checkbox"/> System <input type="checkbox"/> Cost <input type="checkbox"/> Lack of workers <input type="checkbox"/> Other – please give details:	La fabrica debera de realizar todas las pruebas requeridas a sus equipos sujetos a presion. /The facility shall perform all required test to the installed pressure vessels.	60 days	D	Ignacio Cornelio/General Director		Open
NC8 3. Working Conditions are Safe and Hygienic (7)	New	No se cuenta con un check list o registros de las revisiones de seguridad diarias al montacargas./There is no forklift check list or records of daily safety inspections.	<input type="checkbox"/> Training <input checked="" type="checkbox"/> System <input type="checkbox"/> Cost <input type="checkbox"/> Lack of workers <input type="checkbox"/> Other – please give details:	La fabrica debera de asegurarse de contar con un check list, registrar revisiones diarias./The factory shall ensure to develop a check list, keep records of daily inspections	60 days	D	Ignacio Cornelio/General Director		Open
NC9 3. Working Conditions are Safe and Hygienic (8)	New	La fabrica no tiene tiene enlistados y clasificados todos los recipientes sujetos a presion./The factory has not listed and classify the pressure vessels and boilers.	<input type="checkbox"/> Training <input checked="" type="checkbox"/> System <input type="checkbox"/> Cost <input type="checkbox"/> Lack of workers <input type="checkbox"/> Other – please give details:	La fabrica debera de asegurarse de enlistar y clasificar todos recipientes sujetos a presion y calderas instaladas./The factory shall ensure to list and classify all pressure vessels and boilers installed in the facility.	60 days	D	Ignacio Cornelio/General Director		Open

NC10 3. Working Conditions are Safe and Hygienic (9)	New	La fabrica no ha proporcionado entrenamiento para la realización de trabajo de forma segura en: maquinaria y equipo, carga de materiales manual, montacargas y patin hidraulico, trabajos en alturas, recipientes sujetos a presion, corte y soldadura, etiquetado y candadeado de energia electrica, Quimicos/The factory does not have provide the following training for carrying out safely work on: Machinery safety, manual loading of materials with pallet jack, forklift, work at heights, cutting and welding, pressure vessels, labeling and locking of electrical energy, chemicals	<input type="checkbox"/> Training <input checked="" type="checkbox"/> System <input type="checkbox"/> Cost <input type="checkbox"/> Lack of workers <input type="checkbox"/> Other – please give details:	La fabrica deberá asegurarse de proporcionar a los trabajadores capacitacion para realizar los trabajos peligrosos./The factory must ensure that workers are trained to perform hazardous work.	30 days	F	Ignacio Cornelio/General Director		Open
NC11 3. Working Conditions are Safe and Hygienic (10)	New	Se encontró que 1 de 2 montacargas no contaban con extintor./There were 1 of 2 forklift that have missing the fire extinguisher.	<input type="checkbox"/> Training <input checked="" type="checkbox"/> System <input type="checkbox"/> Cost <input type="checkbox"/> Lack of workers <input type="checkbox"/> Other – please give details:	La fabrica deberá asegurarse de contar con un extintor en cada montacargas./The factory shall ensure to have a fire extiguisher in every forklift.	30 days	D	Ignacio Cornelio/General Director		Open
NC12 3. Working Conditions are Safe and Hygienic (11)	New	Se noto 4 de 21 extintores instalados en el exterior sin ninguna proteccion a las condiciones ambientales en area de caseta, ingreso, almacen de residuos./There were 4 of 21 fire extinguishers installed outside, which does not have any protection from	<input type="checkbox"/> Training <input checked="" type="checkbox"/> System <input type="checkbox"/> Cost <input type="checkbox"/> Lack of workers <input type="checkbox"/> Other – please give details:	La fabrica deberá asegurarse de proteger a los equipos contra incendios de las condiciones ambientales./The factory shall protect the fire equipment	30 days	D	Ignacio Cornelio/General Director		Open

		environmental conditions in guardhouse area, entrance, waste storage.		from environmental conditions.					
NC13 3. Working Conditions are Safe and Hygienic (12)	New	No se cuenta con la requerida red fija contra incendios al ser la fabrica de Riesgo de Incendio Alto./There was no required fixed fire equipment such as fire hoses or sprinkler system when the factory is a high risk fire.	<input type="checkbox"/> Training <input checked="" type="checkbox"/> System <input type="checkbox"/> Cost <input type="checkbox"/> Lack of workers <input type="checkbox"/> Other – please give details:	La fabrica deberá asegurarse de intalar Sistemas fijos contra incendio como hidrantes, rociadores, de acuerdo al tipo de fuego./The factory shall ensure to intall fixed systems of firefighting such as, hydrants, sprinklers, according to the type of fire.	60 days	D	Ignacio Cornelio/General Director		Open
NC14 3. Working Conditions are Safe and Hygienic (13)	New	No se tiene medios de deteccion de incendios en área de almacen de cajas, de quimicos y comedor./No fire detection means in the canteen, chemical and box storage areas.	<input type="checkbox"/> Training <input checked="" type="checkbox"/> System <input type="checkbox"/> Cost <input type="checkbox"/> Lack of workers <input type="checkbox"/> Other – please give details:	La fabrica debera de asegurarse de instalar medios de detección de incendios en todas las areas de la empresa./The factory shall ensure to install fire detection means in all areas of the facility.	30 days	F	Ignacio Cornelio/General Director		Open
NC15 3. Working Conditions are Safe and Hygienic (14)	New	1 de 3 salidas de emergencia abren hacia adentro en areas de comedor y area de empaque./ 1 of 3 emergency exits did not opens outwards at canteen and packing area areas.	<input type="checkbox"/> Training <input checked="" type="checkbox"/> System <input type="checkbox"/> Cost <input type="checkbox"/> Lack of workers <input type="checkbox"/> Other – please give details:	La fabrica deberá asegurarse de que todas las salidas de emergencia abran hacia afuera./The factory shall ensure all emergency exits open in the direction of the travel.	30 days	D	Ignacio Cornelio/General Director		Open

NC16 3. Working Conditions are Safe and Hygienic (15)	New	No hay luces de emergencia en las instalaciones./No emergency lights were installed in the facility.	<input type="checkbox"/> Training <input checked="" type="checkbox"/> System <input type="checkbox"/> Cost <input type="checkbox"/> Lack of workers <input type="checkbox"/> Other – please give details:	La fabrica debera asegurarse de instalar luces de emergencia en toda la fabrica./The factory shall ensure to install emergency lights throughout the facility.	30 days	D	Ignacio Cornelio/General Director		Open
NC17 3. Working Conditions are Safe and Hygienic (16)	New	No se han realizado por lo menos anualmente revisiones a alarma contra incendios./There is no inspection of fire alarm at least annually performed.	<input type="checkbox"/> Training <input checked="" type="checkbox"/> System <input type="checkbox"/> Cost <input type="checkbox"/> Lack of workers <input type="checkbox"/> Other – please give details:	La fabrica deberá asegurarse de que las inspecciones anuales a las alarmas contra incendios, lamparas de emergencia y detectores de humo sean realizadas./The factory shall ensure that fire alarms, emergency lights and smoke detectors are annually inspected.	30 days	D	Ignacio Cornelio/General Director		Open
NC18 3. Working Conditions are Safe and Hygienic (17)	New	No se cuenta con el diagrama unifilar de las instalaciones electricas/There is no single-line diagram of electrical installations	<input type="checkbox"/> Training <input checked="" type="checkbox"/> System <input type="checkbox"/> Cost <input type="checkbox"/> Lack of workers <input type="checkbox"/> Other – please give details:	La fabrica deberá contar con el diagrama unifilar actualizado de la instalacion electrica/The factory must have the updated single-line diagram of the electrical installation	30 days	D	Ignacio Cornelio/General Director		Open
NC19 3. Working Conditions are Safe and Hygienic (18)	New	Se notaron quimicos (cloro, aceite grado alimenticio, desinfectante) sin contenedor secundario o medios para contener derrames quimicos en almacen de quimicos, residuos peligrosos, taller de mantenimiento./There are chemical vessels (chlorine, food grade oil, disinfectant) that has no Secondary Containment or anti	<input type="checkbox"/> Training <input checked="" type="checkbox"/> System <input type="checkbox"/> Cost <input type="checkbox"/> Lack of workers <input type="checkbox"/> Other – please give details:	La fabrica deberá asegurarse de que todos los recipientes que contengan sustancias quimicas peligrosas y mantener todos los quimicos almacenados en el fabrica con un contenedor secundario adecuado o medios para contener un	30 days	D	Ignacio Cornelio/General Director		Open

		spillage kit present in Chemical warehouse, hazardous waste, maintenance workshop.		derrame como es requerido./The factory shall ensure to keep all chemicals stored in the facility in proper secondary containment or have means to contain leaks as requested.					
NC20 3. Working Conditions are Safe and Hygienic (19)	New	La fabrica no cuenta con procedimientos para la realización del trabajo en forma segura de: manejo de cargas con patin hidraulico, montacargas y carga manual, trabajos en alturas, corte y soldadura, etiquetado y candadeo/The factory has not developed safety procedures to perform: handling of loads with pallet jack, forklifts and manual loading, work at heights, cutting and welding, lock out and tag out	<input type="checkbox"/> Training <input checked="" type="checkbox"/> System <input type="checkbox"/> Cost <input type="checkbox"/> Lack of workers <input type="checkbox"/> Other – please give details:	La fabrica debera desarrollar procedimientos de trabajo seguro para todas las actividades riesgosas/The facility shall develop safety procedures to perform dangerous jobs.	30 days	F	Ignacio Cornelio/General Director		Open
NC21 3. Working Conditions are Safe and Hygienic (20)	New	No hay estación de lavaojos en el area de almacén de quimicos, residuos peligrosos, taller de mantenimiento./There was no eyewash station in the Chemical warehouse, hazardous waste, maintenance workshop areas.	<input type="checkbox"/> Training <input checked="" type="checkbox"/> System <input type="checkbox"/> Cost <input type="checkbox"/> Lack of workers <input type="checkbox"/> Other – please give details:	La fábrica deberá asegurarse de que las estaciones de lavado de ojos estén instaladas en áreas donde se almacenan y utilizan productos químicos./The factory shall ensure eyewash stations are installed in areas where chemicals are stored and used.	30 days	D	Ignacio Cornelio/General Director		Open

<p>NC22 5. Living Wages are Paid (1)</p>	<p>New</p>	<p>Se noto que no se realizo ningun pago por tiempo extraordinario a 2 guardias de seguridad que de forma normal laboran una jornada semanal de 72 horas que superan las 48 horas generando 16 horas que laboraron en el mes de mayo 2021 de tiempo extra que no les fueron pagadas como marca la ley, 200% por las primeras 9 y 300% las excedentes./ It was noted that no overtime payment was provided to 2 security guards that normally work a 72-hour week that exceeds 48 hours generating 16 hours that worked in may 2021 of over time that were not paid as law requires 200% the first 9 overtime hours and 300% the remaining as premium time.</p>	<p><input type="checkbox"/> Training <input checked="" type="checkbox"/> System <input type="checkbox"/> Cost <input type="checkbox"/> Lack of workers <input type="checkbox"/> Other – please give details:</p>	<p>La fabrica deberá asegurarse de calcular y pagar adecuadamente el tiempo extra a los trabajadores./The factory shall ensure to properly calculate and pay over time to employees as the law states.</p>	<p>60 days</p>	<p>F</p>	<p>Ignacio Cornelio/General Director</p>		<p>Open</p>
<p>NC23 5. Living Wages are Paid (2)</p>	<p>New</p>	<p>Se noto que 3 trabajadores del area de empaque que laboraron de 17 hasta 23 horas de tiempo extra en el mes de enero de 2021 no se les pagaron las horas extras laboradas, al 300% como es legalmente requerido, en el periodo del. /It was noted that 3 workers in the packaging area that worked from 17 to 23 hours of overtime in the month of January 2021 were not paid the overtime hours at 300% premium as legally required, in the period of.</p>	<p><input type="checkbox"/> Training <input checked="" type="checkbox"/> System <input type="checkbox"/> Cost <input type="checkbox"/> Lack of workers <input type="checkbox"/> Other – please give details:</p>	<p>La fabrica deberá asegurarse de pagar adecuadamente el tiempo extra a los trabajadores./The factory shall ensure to properly pay over time to employees as the law states.</p>	<p>60 days</p>	<p>F</p>	<p>Ignacio Cornelio/General Director</p>		<p>Open</p>



NC24 6. Working Hours are not Excessive (1)	New	Se noto que el horario normal de trabajo para los guardias de seguridad es de 72 horas a la semana en lugar de las 48 permitidas por la ley/ It was noted that the normal weekly hours schedule for security guards is 72 hours a week instead of the 48 allowed by law	<input type="checkbox"/> Training <input checked="" type="checkbox"/> System <input type="checkbox"/> Cost <input type="checkbox"/> Lack of workers <input type="checkbox"/> Other – please give details:	Asegurarse que los horarios laborales cumplan los requerimiento de ley. /The factory shall ensure that the working hours were in compliance with the law	90 days	F	Ignacio Cornelio/General Director		Open
NC25 6. Working Hours are not Excessive (2)	New	En 4 trabajadores, 2 del area de cajas y 2 guardias de seguridad laboraron 24 horas de tiempo extra en el mes de mayo de 2021, excediendo las 9 horas extras a la semana permitidas por la ley en 16./On 4 workers, 2 in the packaging area and 2 security guards, worked from 24 hours of overtime in the month of may 2021, exceed 9 OT hours aweek allowed by law on 16.	<input type="checkbox"/> Training <input checked="" type="checkbox"/> System <input type="checkbox"/> Cost <input type="checkbox"/> Lack of workers <input type="checkbox"/> Other – please give details:	Los empleados no deben trabajar más de 9 horas extraordinarias por semana./The employees should not work more than 9 overtime hours per week.	60 days	F	Ignacio Cornelio/General Director		Open
NC26 6. Working Hours are not Excessive (3)	New	En 4 de 10 trabajadores, 2 del area de cajas laboraron y 2 guardias laboran hasta 72 horas a la semana horas a la semana, excediendo las 60 horas laborales a la semana en el periodo de mayo 2021./On 4 out of 10 workers, 2 from the packing area and 2 security guards, worked until 72 hours a week working hours a week, exceed 60 working hours a week in the period of may 2021.	<input type="checkbox"/> Training <input checked="" type="checkbox"/> System <input type="checkbox"/> Cost <input type="checkbox"/> Lack of workers <input type="checkbox"/> Other – please give details:	Los empleados no deben trabajar más de 60 horas por semana./The employees should not work more than 60 hours per week.	60 days	F	Ignacio Cornelio/General Director		Open

NC27 8. Regular Employment Is Provided (1)	New	No se cuenta con el aviso de privacidad requerido por la ley, donde se exprese el consentimiento para retencion de datos personales por parte de la empresa y firmado por los trabajadores. /There is no privacy notice required by law, where consent is expressed for the retention of personal data by the company and signed by employees.	<input type="checkbox"/> Training <input checked="" type="checkbox"/> System <input type="checkbox"/> Cost <input type="checkbox"/> Lack of workers <input type="checkbox"/> Other – please give details:	La fabrica deberá formular un aviso de privacidad y recabar el concentimiento de los trabajadores. /The factory must formulate a privacy notice and seek the concentration of workers.	30 days	D	Ignacio Cornelio/General Director		Open
NC28 8. Regular Employment Is Provided (2)	New	No se ha presentado el reglamento interno de trabajo ante la secretaria de trabajo y prevision social./The employee hand book or Internal labor regulation has not been presented to local authority	<input type="checkbox"/> Training <input checked="" type="checkbox"/> System <input type="checkbox"/> Cost <input type="checkbox"/> Lack of workers <input type="checkbox"/> Other – please give details:	La fabrica deberá asegurarse de presentar el reglamento interno de trabajo ante la autoridad local./The factory shall ensure to present the employee handbook or internal labor regulation to local authority	30 days	D	Ignacio Cornelio/General Director		Open
NC29 10b. Environment (1)	New	La fabrica no esta registrada ante la autoridad como generadora de residuos peligrosos./The factory has not registered as a hazardous waste generator.	<input type="checkbox"/> Training <input checked="" type="checkbox"/> System <input type="checkbox"/> Cost <input type="checkbox"/> Lack of workers <input type="checkbox"/> Other – please give details:	La fabrica deberá asegurarse de registrarse ante las autoridades como generador de residuos peligrosos./The factory shall ensure to register as a hazardous waste generator.	30 days	D	Ignacio Cornelio/General Director		Open

NC30 10b. Environment (2)	New	La fabrica no tiene registros (manifestos) de la disposición de residuos peligrosos con un recolector autorizado./The factory does not have any records of hazardous waste disposal by an authorized collector.	<input type="checkbox"/> Training <input checked="" type="checkbox"/> System <input type="checkbox"/> Cost <input type="checkbox"/> Lack of workers <input type="checkbox"/> Other – please give details:	La fabrica deberá realizar la disposición de sus residuos peligrosos como lo marca la ley./The factory shall dispose hazardous waste as legally required.	30 days	D	Ignacio Cornelio/General Director		Open
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### Corrective Action Plan – Observations

Observation Number <i>The reference number of the observation from the Audit Report, for example, Discrimination No.7</i>	New or Carried Over <i>Is this a new observation identified at the follow-up or one carried over (C) that is still outstanding</i>	Details of Observation <i>Details of Observation</i>	Root cause <i>(completed by the site)</i>	Any improvement actions discussed <i>(Not uploaded on to SEDEX)</i>
Obs1 O0A. Universal Rights covering UNGP (1)	New	Se noto que no se tienen canales de comunicación y de quejas para las partes interesadas./It was noticed that there is no communicational channel or grievance channel for stakeholders.	<input type="checkbox"/> Training <input checked="" type="checkbox"/> System <input type="checkbox"/> Cost <input type="checkbox"/> Lack of workers <input type="checkbox"/> Other – please give details:	La fabrica se asegurara asegurarse de tener para la comunicación de las partes interesadas accesible a todo publico, y en idioma local que sea atendido en horarios locales. /The factory will ensure that the communication of the interested parties is accessible to all public, and in the local language that is attended at local times.
Obs2 O0A. Universal Rights covering UNGP (2)	New	La empresa no ha medido sus impactos directos, indirectos y potenciales sobre los derechos humanos de las partes interesadas/The company has not measured its direct, indirect and potential impacts on the human rights of stakeholders	<input type="checkbox"/> Training <input checked="" type="checkbox"/> System <input type="checkbox"/> Cost <input type="checkbox"/> Lack of workers <input type="checkbox"/> Other – please give details:	La empresa medira sus impactos sobre los derechos humanos de las partes interesadas/The company will measure its impacts on the human rights of stakeholders

### Good examples

Good example Number <i>The reference number of the non-compliance from the Audit Report, for example, Discrimination No.7</i>	Details of good example noted	Any relevant Evidence and Comments
GE01 5. Living Wages are Paid (1)	Se cuentan con 2 unidades de transporte sin costo/There are 2 transport units at no cost	During the factory
GE02 5. Living Wages are Paid (2)	Los trabajadores reciben una beca deportiva en escuela de Voleibol/Workers receive a sports scholarship in Volleyball school	During management review
GE03 5. Living Wages are Paid (3)	Los trabajadores reciben ayuda para comprar lentes al 50%/Workers receive help to buy glasses at 50%	During management review
GE 4 6. Working Hours are not Excessive (1)	A los trabajadores, cuando tienen su cumpleaños les dan medio día libre/ Workers, when they have their birthdays they give them half a day off	During management review

## Confirmation

<p><b>Please sign this document confirming that the above findings have been discussed with and understood by you:</b> (site management)  <i>If actual signatures are not possible in electronic versions, please state the name of the signatory in applicable boxes, as indicating the signature.</i></p>		
A: Site Representative Signature:	Ignacio Cornelio	Title: General Director Date: May 27, 2021
B: Auditor Signature:	Cesar Pacheco	Title: Auditor Date: May 27, 2021
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:		
E: Signed: <i>(If any entry in box D, please complete a signature on this line)</i>		Title  Date
F: Any other site Comments:		

## 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](https://www.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:

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