




SMETA Corrective Action Plan Report (CAPR)

Version 6.1



Audit Details			
Sedex Company Reference: <i>(only available on Sedex System)</i>	ZC: Non member	Sedex Site Reference: <i>(only available on Sedex System)</i>	ZS: Non member
Business name (Company name):	Erbus Industria E Comercio		
Site name:	Erbus Industria E Comercio		
Site address: <i>(Please include full address)</i>	Trav. Jose Da Cunha Leite S/N , Portão , Atibaia, SP, 12.948-110	Country:	Brazil
Site contact and job title:	Marcelo Antonio Pereira - Materials and Quality Manager		
Site phone:	+55 11 4416-6802	Site e-mail:	producao@erbus.com.br
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:	July 08, 2020 / July 30, 2020 / August 19, 2020		

Audit Company Name & Logo: SGS ICS Certificadora Ltda. 	Report Owner (payer): <i>(If paid for by the customer of the site please remove for Sedex upload)</i> Erbus Industria E Comercio
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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)			

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):

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

Lead auditor: Bruno Quadrelli / Leonardo Rubim Perez / Amanda Soares

Team auditor: Nil.

Interviewers: Bruno Quadrelli / Leonardo Rubim Perez / Amanda Soares

Report writer: Bruno Quadrelli / Leonardo Rubim Perez / Amanda Soares

Report reviewer: Pamela Siqueira / Pamela Siqueira / Pamela Siqueira

Date of declaration: July 08, 2020 / July 30, 2020 / August 19, 2020

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: 08:00 a.m. Day 1 Time out: 05:30 p.m. Day 1 Time in: 08:00 a.m. Day 1 Time out: 12:00 p.m. Day 1 Time in: 11:00 a.m. Day 1 Time out: 1:00 p.m.	Day 2 Time in: NA Day 2 Time out: NA	Day 3 Time in: NA Day 3 Time out: NA
B: Number of auditor days used:	1,0 man-days (1 auditor x 1,0 day) 0,5 man-day (1 auditor x 0,5 day) 0,25 man-day (1 auditor x 0,25 day)		
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 checked="" type="checkbox"/> Partial Other If other, please define: desktop audit		
D: Was the audit announced?	<input checked="" type="checkbox"/> Announced <input type="checkbox"/> Semi – announced: Window detail: weeks <input type="checkbox"/> Unannounced		
E: Was the Sedex SAQ available for review?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No If No, why not: The company claimed unknowledge of the document		
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)	Marcelo Antonio Pereira - Materials and Quality 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:	July 08, 2020. July 30, 2020		
J: Previous audit type:	Full Initial Desk audit		
K: Were any previous audits reviewed for this audit	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <input checked="" type="checkbox"/> N/A		



Audit attendance	Management	Worker Representatives	
	Senior management	Worker Committee representatives	Union representatives
A: Present at the opening meeting?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	<input 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 worker representatives in the company.		
E: If Union Representatives were not present please explain reasons why: <i>(only complete if no union reps present)</i>	There are no union representatives in the company.		

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 <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>
3.1		<p>It was noted during facility tour the absence of doors that prevent privacy intrusion in the showers of male and female bathrooms.</p> <p>Evidenciado durante a visita pelas instalações ausência de portas que impeçam o devassamento nos chuveiros dos banheiros masculino e feminino.</p>	<input type="checkbox"/> Training <input checked="" type="checkbox"/> Systems <input type="checkbox"/> Costs <input type="checkbox"/> lack of workers <input type="checkbox"/> Other – please give details:	<p>It is recommended that facility provides doors that prevent privacy intrusion in the showers of male and female bathrooms.</p> <p>A empresa deve providenciar portas que impeçam o devassamento nos chuveiros dos banheiros masculino e feminino.</p>	60 days	Desktop	Marcelo Antonio Pereira - Materials and Quality Manager	<p>It was noted during photo verification the doors that prevent privacy intrusion in the showers of male and female bathrooms.</p> <p>Evidenciado durante a verificação fotográfica, as portas que impeçam o devassamento nos chuveiros dos banheiros masculino e feminino.</p>	Closed
3.2		<p>During On-site visit, it was verified that the pulleys of “tear ligo” are without adequate protections.</p>	<input type="checkbox"/> Training <input checked="" type="checkbox"/> Systems <input type="checkbox"/> Costs <input type="checkbox"/> lack of workers	<p>It is recommended that equipment be provided with pulley guards.</p>	90 days	Desktop	Marcelo Antonio Pereira - Materials and Quality Manager	<p>During photo verification, it was verified that the pulleys of “tear ligo” are with adequate protections.</p>	Closed

		Durante visita as instalações da empresa, verificado que as polias do tear lago encontram-se sem as proteções adequadas	<input type="checkbox"/> Other – please give details:	Recomenda-se providenciar que os equipamentos tenham as proteções de polia.				Durante a análise fotográfica, verificado que as polias do tear lago encontram-se com as proteções adequadas	
10B2.1		<p>During documentary review, evidenced absence of the Certificates of Movement of Waste of Environmental Interest (CADRI).</p> <p>Durante análise documental, evidenciada ausência dos Certificados de Movimentação de Resíduos de (CADRI).</p>	<input type="checkbox"/> Training <input type="checkbox"/> Systems <input type="checkbox"/> Costs <input type="checkbox"/> lack of workers <input checked="" type="checkbox"/> Other – please give details:	<p>Facility should provide the Certificates of Movement of Waste of Environmental Interest (CADRI).</p> <p>A empresa deve providenciar Certificados de Movimentação de Resíduos de Interesse Ambiental (CADRI).</p>	90 days	Desktop	Marcelo Antonio Pereira - Materials and Quality Manager	<p>During documentary review, evidenced absence of the Certificates of Movement of Waste of Environmental Interest (CADRI).</p> <p>Note: The CETESB protocol No. 049785 / 2020-78, of July 17, 2020, was presented to obtain the CADRI.</p> <p>Durante análise documental, evidenciada ausência dos Certificados de Movimentação de Resíduos de (CADRI). Nota: Foi apresentado o protocolo nº 049785/2020-78, de 17/07/2020 junto à CETESB, para obtenção do CADRI.</p> <p>It was noted during documents check that the company provided the Certificate of Movement of Waste of Environmental Interest (CADRI) no. 60002081 between Erbus Industrial Eireli and Ambisol</p>	Closed

								<p>Soluções Ambientais Ltda issued on August 13, 2020 and valid until August 13, 2024.</p> <p>Evidenciado durante análise de documentos que a empresa providenciou Certificado de Movimentação de Resíduos de Interesse Ambiental (CADRI) nº 60002081 entre Erbus Industrial Eireli e Ambisol soluções ambientais Ltda emitido em 13 de agosto de 2020 com validade até 13 de agosto de 2024.</p>	
10B2.2		<p>During documentary review, there was absence of the PGRS (SOLID WASTE MANAGEMENT PLAN).</p> <p>Durante análise documental, verificado ausência do PGRS (Plano de Gerenciamento de Resíduos sólidos).</p>	<input type="checkbox"/> Training <input type="checkbox"/> Systems <input type="checkbox"/> Costs <input type="checkbox"/> lack of workers <input checked="" type="checkbox"/> Other – please give details: Lack of knowledge of this requirement. Desconhecimento deste requisito.	<p>It is recommended to provide the PGRS (SOLID WASTE MANAGEMENT PLAN).</p> <p>Recomenda-se providenciar o PGRS (Plano de Gerenciamento de Resíduos sólidos).</p>	90 days	Desktop	Marcelo Antonio Pereira - Materials and Quality Manager	<p>During documentary review, it was possible to verify the PGRS (SOLID WASTE MANAGEMENT PLAN).</p> <p>Note: Held in July 21, 2020. Resp. Occupational Safety Engineer. ART No. 28027230200828619</p> <p>Durante análise documental, foi possível verificar o PGRS (Plano de Gerenciamento de Resíduos sólidos).</p> <p>Nota: Realizado em 21/07/2020. Resp. Engenheiro de Segurança do Trabalho. ART N° 28027230200828619.</p>	Closed

Corrective Action Plan – Observations

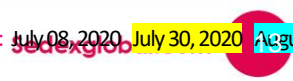
Observation Number <i>The reference number of the observation from the Audit Report, for example, Discrimination No.7</i>	New or Carried Over <i>Is this a new observation identified at the follow-up or one carried over (C) that is still outstanding</i>	Details of Observation <i>Details of Observation</i>	Root cause <i>(completed by the site)</i>	Any improvement actions discussed <i>(Not uploaded on to SEDEX)</i>
3.1		<p>During a visit to the Site, it was verified that 2 third-party employees of the company André Luiz Mendes Mergulhão - EPP who were carrying out work at height doing the activity of assembling a metal structure in the construction of the external shed, were not connected at any anchoring point.</p> <p>Auditor's note: It was verified that the employees were using the Personal Protective Equipment - Seat Belt, but the third-party employees had not connected the PPE in any anchorage point, after the verification of the situation above, the audited company took the necessary measures. Verified that the company is terminating the activity contract on July 10, 2020.</p> <p>Durante visita ao Site, verificado que 2 empregados terceiros da empresa André Luiz Mendes Mergulhão – EPP que estavam realizando trabalho em altura fazendo a atividade de montagem de estrutura metálica na construção do galpão externo, não estavam conectados em nenhum ponto de ancoragem.</p> <p>Nota do auditor: Verificado que os empregados estavam utilizando o Equipamento de Proteção Individual - Cinto de Segurança, porém os empregados terceiros não haviam conectado o EPI em nenhum ponto de ancoragem, após a constatação da situação acima, a empresa auditada tomou as devidas providências. Verificado que a empresa está com término do contrato da atividade em 10 de julho de 2020.</p>		<p>It is recommended that third-party employees use anchor points when working at heights.</p> <p>Recomenda-se providenciar que os empregados terceiros utilizem pontos de ancoragem nos trabalhos em altura.</p> <p>It was evidenced through the interview with the person responsible for monitoring the audit that the company “André Luiz Mendes Mergulhão - EPP” does not perform services on the site. It was possible to observe a list of attendance, on training and guidelines for working at heights.</p> <p>Evidenciado através da entrevista com o responsável por acompanhar a auditoria que, a empresa “André Luiz Mendes Mergulhão – EPP”, não trabalha mais no local. Foi possível observar uma lista de presença, sobre treinamento e orientações de trabalho em altura.</p> <p>Closed</p>
10B2.1		<p>During document review, evidenced absence of analysis of atmospheric emissions.</p> <p>Durante análise documental, evidenciada ausência da análise das emissões atmosféricas.</p>		<p>The company must provide analysis of atmospheric emissions.</p> <p>A empresa deve providenciar análise das emissões atmosféricas.</p>

				<p>During document review, evidenced the analysis of atmospheric emissions. Note: Held in July 22, 2020. Resp. Occupational Safety Engineer. ART No. 28027230200828619</p> <p>Durante análise documental, evidenciada a análise das emissões atmosféricas. Nota: Realizada em 22/07/2020. Resp. Engenheiro de Segurança do Trabalho. ART Nº 28027230200828619.</p> <p>Closed</p>
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Good examples		
Good example Number <i>The reference number of the good example from the Audit Report, for example, Discrimination No.7</i>	Details of good example noted	Any relevant Evidence and Comments
NA	NA	NA

Confirmation

<p>Please sign this document confirming that the above findings have been discussed with and understood by you: (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:	Marcelo Antonio Pereira -	Title Materials and Quality Manager Date July 30, 2020
B: Auditor Signature:	Leonardo Rubim Perez Amanda Soares	Title Auditor / Auditor Date July 30, 2020 / August 19, 2020
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: (If <u>any</u> entry in box D, please complete a signature on this line)		Title NA Date NA



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:

[Click here for Buyer \(A\) & Buyer/Supplier \(A/B\) members:](http://www.surveymonkey.com/s.aspx?sm=riPsbE0PQ52ehCo3lnq5lw_3d_3d)

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

[Click here for Supplier \(B\) members:](http://www.surveymonkey.com/s.aspx?sm=d3vYsCe48fre69DRglY_2brg_3d_3d)

http://www.surveymonkey.com/s.aspx?sm=d3vYsCe48fre69DRglY_2brg_3d_3d

[Click here for Auditors:](https://www.surveymonkey.co.uk/r/BRTVCKP)

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