

Fair Labor Association: Independent External Factory Assessment

Assessment Date :

10 May 2023



Factory Information

FLA Affiliates	Outerstuff LLC
Country	Egypt
Number of Workers	523

Understanding this Report

Companies that join the FLA agree to uphold the FLA Workplace Code of Conduct throughout their entire supply chain. The Code of Conduct is based on International Labour Organization (ILO) standards, and defines labor standards that aim to achieve decent and humane working conditions.

FLA Code Element

Number of Violations

Compensation (C)	3
Employment Relationship (ER)	14
Freedom Of Association And Collective Bargaining (FOA)	1
Health, Safety And Environment (HSE)	22
Hours Of Work (HOW)	4
Nondiscrimination (ND)	1

Assessment Information

Assessor	Shereen Samy
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Assessment Date	10 May 2023
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Assessment Purpose	Factory Assessment (In-Person)
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ASSESSMENT RESULTS

Compensation (C)

Benchmark ID	C.9.3
Benchmark Details	Employees shall be compensated for overtime hours at such premium rate as is legally required in the producing country
Finding Details	(1) When workers perform overtime from 17:00 to 19:00, the factory calculates overtime pay based on the normal overtime premium established by law (1.35x normal pay). Under local law, however, overtime performed after the sun has set should be calculated using a higher premium (1.7x). The factory does not adjust the premiums based on the hour of sunset, especially during winter. (2) The factory calculates overtime payments with a formula that assumes 30 working days, instead of 24 days as is the actual practice. (3) The factory has a practice wherein employees work on official holidays and have the day off for that holiday on a different day. Workers are paid the normal daily rate for working on the actual holiday. Under local law, however, workers are entitled to a premium of 2x the normal rate when working on a holiday, even if the factory offers a different day off.
Recommendation for Immediate Action	(1) Calculate overtime pay using premiums established by law. (2) Calculate overtime based on 24 working days. (3) Grant official holidays on the calendar dates announced by the labor office. If the facility decides to operate on such days, pay workers 2x the normal daily rate for those days.
Compliance Classifications	Immediate Action Required
Local Law	Egyptian Labor Law 12/2003, article 85
Benchmark ID	C.2

Benchmark Details	Employers shall pay workers at least the legal minimum wage or the prevailing industry wage, whichever is higher, for regular working hours (not including overtime). Workers should also be informed about the legal minimum wage.
Finding Details	The assessment found that 73 workers out of 523 receive a gross salary less than EGP 2700, the legal minimum wage for 2023.
Recommendation for Immediate Action	Adhere to the legal minimum wage for all workers. Exclude in-kind benefits when calculating and reporting gross salary.
Compliance Classifications	Immediate Action Required
Local Law	Egyptian Labor Law 12/2003 Article 1.c., Ministerial Decree no. 103/2022.
Benchmark ID	C.21.1
Benchmark Details	Employers shall provide all legally mandated benefits, including holidays, leave, bonuses, severance payments and 13th month payments to all eligible workers within legally defined time periods.
Finding Details	In reviewing payroll records, the assessment observed that resigning workers receive their final payouts in the next normal payroll cycle (the 5th day of the subsequent month) after resigning. Therefore, workers who resign shortly after a payroll cycle will not receive their payouts for 20 days or more. Under local law, workers should receive this payout within 7 days.
Recommendation for Immediate Action	Make final payouts within the legal time period. Update factory policies to stipulate that the resigning employees will receive their payouts within 7 days of the last working day.
Compliance Classifications	Immediate Action Required
Local Law	Egyptian Labor law no. 12/2003 , Article 38.d.

Employment Relationship (ER)

Benchmark ID	ER.11.2
Benchmark Details	Employers must ensure the following minimum terms and conditions are met in the employment of contract/contingent/migrant/temporary workers: Contract/contingent/migrant/temporary workers shall be provided an employment agreement in their native language setting out the employment terms and conditions. for migrant workers, a copy of their employment contract in their native language shall be provided prior to departure from their country of origin;
Finding Details	Throughout the assessment, interviews revealed that workers did not receive a copy of their contract. 70% of workers interviewed reported not receiving a copy of their contract.
Recommendation for Immediate Action	Provide a copy of the employment contract to all workers in their native language.
Compliance Classifications	Immediate Action Required
Local Law	Egyptian Labor Law 12/2003, article no. 32
Benchmark ID	ER.1.2
Benchmark Details	Employers shall assign responsibility for the administration of human resources to a clearly defined and adequately qualified staff member or staff members and ensure workers at all levels receive communication and training about existing policies and procedures or any revisions.
Finding Details	The facility does not provide any ongoing training for workers covering FLA Code elements and Employment Functions.
Recommendation for Immediate Action	
Compliance Classifications	Sustainable Improvement Required
Local Law	

Benchmark ID	ER.5.1
Benchmark Details	Employers shall ensure that all supervisors are trained in national laws, workplace regulations, and the FLA Code, workplace grievance systems, and the appropriate practices to ensure compliance.
Finding Details	The facility does not provide specific training for supervisors on any employment functions or Code elements.
Recommendation for Immediate Action	
Compliance Classifications	Sustainable Improvement Required
Local Law	
Benchmark ID	ER.17.1
Benchmark Details	Employers shall have a clear and transparent system of worker and management communication that enables workers to consult with and provide input to management. This might include suggestion boxes, worker committees, designated spaces for worker meetings, union representatives, and meetings between management and workers' representatives.
Finding Details	(1) The factory does not have a complete policy or procedure on the grievance system. There are some procedures posted next to the factory's suggestion box, but these do not include the involvement of workers' representatives in the process of reviewing and addressing grievances. (2) There is only one suggestion box available, located in the cafeteria within the range of a security camera.
Recommendation for Immediate Action	(1) Develop a complete factory-level policy and procedure for the grievance system. (2) Place the grievance/suggestion boxes in a private area away from security cameras. Locations such as toilets and private locker rooms to enable workers to use the boxes without disclosing their identity.
Compliance Classifications	Immediate Action Required

Local Law	
Benchmark ID	ER.18.1
Benchmark Details	Employers shall have written disciplinary rules, procedures and practices that embody a system of progressive discipline (e.g. a system of maintaining discipline through the application of escalating disciplinary action moving from verbal warnings to written warnings to suspension and finally to termination).
Finding Details	The factory does not have any policies or procedures on workplace conduct/discipline.
Recommendation for Immediate Action	
Compliance Classifications	Sustainable Improvement Required
Local Law	
Benchmark ID	ER.6.1
Benchmark Details	Employers shall have written policies and procedures and implement practices that encourage ongoing training of all categories of workers with the goal of raising or broadening skills in order to advance in their careers within the factory or beyond.
Finding Details	The factory does not have written policies and procedures on personnel development that encourage ongoing training with the goal of raising or broadening workers' skills.
Recommendation for Immediate Action	
Compliance Classifications	Sustainable Improvement Required
Local Law	
Benchmark ID	ER.7.1

Benchmark Details	Employers shall have written policies and procedures with regard to performance reviews that outline the review steps and process, demonstrate linkages to job grading, prohibit discrimination, are provided in writing and seek feedback and agreement/disagreement from employees in writing, and that follow all local legal requirements.
Finding Details	The facility does not have policies or procedures on performance reviews. The facility has never conducted performance reviews for workers.
Recommendation for Immediate Action	Develop comprehensive policies and procedures on performance reviews. Conduct regular performance reviews for all workers as required by local law and the FLA/member company's Code.
Compliance Classifications	Immediate Action Required
Local Law	Egyptian Labor Law no 12/2003, article 142
Benchmark ID	ER.8
Benchmark Details	Employers shall have written policies and procedures with regard to promotion, demotion, and job reassignment that outline the criteria, demonstrate linkages to job grading, and prohibit discrimination or use of demotion or job reassignment as a form of penalty or punishment, are provided in writing and seek feedback from employees in writing, and follow all local legal requirements.
Finding Details	The factory does not have policies and procedures on promotion, demotion and job reassignment
Recommendation for Immediate Action	
Compliance Classifications	Sustainable Improvement Required
Local Law	
Benchmark ID	ER.4

Benchmark Details	Employers shall inform workers about workplace rules, environmental protection systems, health and safety information, and laws regarding workers' rights with respect to freedom of association, compensation, working hours, and any other legally required information, and the FLA Code through appropriate means, including posted in local language(s) throughout the workplace's common areas.
Finding Details	The facility does not provide training or communication to workers on any Code elements or Employment Functions. Neither the FLA Code nor the member company's code of conduct is posted at the facility.
Recommendation for Immediate Action	
Compliance Classifications	Sustainable Improvement Required
Local Law	
Benchmark ID	ER.19.1
Benchmark Details	Employers shall maintain on file all documentation needed to demonstrate compliance with the FLA Workplace Code and required laws.
Finding Details	(1) The member company's code of conduct/workplace standards was not made available to workers, managers and supervisors. (2) All personnel files lack a work notice form (the official form to notify the local labor office of the worker's hiring). Out of 57 sampled personnel files, 38 did not contain a record of the factory's background check. (3) There were no records or evidence available related to worker grievances.
Recommendation for Immediate Action	(1) Post the FLA Code of Conduct or the member company's aligned code prominently in the correct language/s. (2) Ensure that all legally required documents are saved in personnel files. (3) Maintain records for worker grievances and steps taken to address them.

Compliance Classifications	Sustainable Improvement Required
Local Law	Egyptian Labor Law 12/2003 article no. 77
Benchmark ID	ER.3.1
Benchmark Details	Employers shall provide an orientation to new employees at the time of hiring, which includes explanations of the employers' rules, compensation package and policies for human resources, grievance systems, industrial relations, including respect of the right to freedom of association, workers' rights and responsibilities, FLA Code of Conduct, health and safety, and environmental protection.
Finding Details	The facility provides a very basic oral orientation training for new hires. This training does not cover all Code elements and Employment Functions. It only covers working hours and job responsibilities.
Recommendation for Immediate Action	Develop a comprehensive new-hire orientation for workers and supervisors, to cover all elements required by the FLA Code and by local law.
Compliance Classifications	Immediate Action Required
Local Law	Egyptian Labor law 12/2003 article no. 237
Benchmark ID	ER.1.3
Benchmark Details	Employers should implement an annual, review process with input from workers of all policies, procedures and their implementation to ensure they meet legal requirements and the FLA Workplace Code.
Finding Details	-Promotion, demotion, and job reassignment, Personnel Development, 1-1-Environmental, Grievance mechanisms and disciplinary policies and procedures are missing in the factory. (1) The factory does not have a review system for its policies and procedures. (2) Workers are not included in the decision-making process concerning workplace and working conditions

Recommendation for Immediate Action	
Compliance Classifications	Sustainable Improvement Required
Local Law	
Benchmark ID	ER.18.3.4
Benchmark Details	Records of disciplinary action must be maintained in the worker's personnel file.
Finding Details	The facility stores records of disciplinary actions in a separate log. They are not included in personnel files.
Recommendation for Immediate Action	
Compliance Classifications	Sustainable Improvement Required
Local Law	
Benchmark ID	ER.3.3
Benchmark Details	Workers should be provided with written documentation that substantiates all the issues covered in orientation briefings.
Finding Details	Workers do not receive written documentation to substantiate the topics covered in orientation.
Recommendation for Immediate Action	
Compliance Classifications	Sustainable Improvement Required
Local Law	

Freedom Of Association And Collective Bargaining (FOA)

Benchmark ID	FOA.1.1
Benchmark Details	Employers shall comply with all national laws, regulations and procedures concerning freedom of association and collective bargaining. national laws, rules, and procedures protecting the rights of workers to organize and bargain collectively. Where local laws and FLA standards differ, the employer is expected to follow the highest applicable standard.
Finding Details	The last elections for worker representative positions were held in 2018. Furthermore, the facility has not signed a CBA with the current elected representatives.
Recommendation for Immediate Action	Negotiate and sign an agreement with the worker representatives. Encourage and assist workers to organize elections for the representative positions.
Compliance Classifications	Immediate Action Required
Local Law	Egyptian labor law no. 12/2003 articles no. 146 & 148

Health, Safety And Environment (HSE)

Benchmark ID	HSE.30.1
Benchmark Details	Employers shall develop, maintain, and regularly review health, safety, and environmental policies to ensure that they comply with all national laws, regulations and the FLA Workplace Code concerning health, safety, and environmental standards, regulations and procedures.
Finding Details	The factory does not have an environmental protection policy or procedure.
Recommendation for Immediate Action	
Compliance Classifications	Sustainable Improvement Required

Local Law	
Benchmark ID	HSE.5.1
Benchmark Details	All applicable, legally required or recommended elements of safe evacuation shall be complied with, including all of the following elements: posting evacuation plans; the installation and maintenance of fire alarms; the installation and maintenance of emergency lighting; ensuring aisles/exits are not blocked and that workers are not blocked within their workstations; employee education and training; and evacuation procedures and fire drills.
Finding Details	<p>(1) In the first production building, at the main fabric warehouse on the ground floor, one exit (a ramp) lacks signage, while the other exit (through the cutting area) has a threshold at the gate. Additionally, the evacuation route after leaving the warehouse is not suitable for smooth evacuation, as it is used for storage, is bumpy underfoot, and includes an upwards ramp. The exit from the first floor production area to the hall has a sliding threshold. An exit was being used as a loading door during the audit. (2) In the second production building, the main exit from the printing section has a threshold and lacks signage. There is a sign over the old exit, which is now unused. (3) In both production buildings, all exit stairs are not even. In the first building, there are no handrails on stairs from the first production floor to the assembly point, nor on the stairs from the floor to the back corridor. (3) The packing area in the first production building contains high shelves that could prevent the sprinkler system from working effectively. There are also items being stored on the floor and directly below lighting units. (4) The overhead lighting on the first production floor hangs below 2.1m in the sewing area. (5) All evacuation maps except for 2 did not accurately portray the facility. They either did not align with the actual layout or were hung incorrectly, preventing a user from orienting him/herself. (6) Printing screens were found stored on the floor in the printing area.</p>
Recommendation for Immediate Action	<p>(1) Ensure that evacuation routes allow for swift and easy exit, comply with all legal requirements, and are properly labeled. (2) Remove all thresholds from exit doors. (3) Ensure all steps comply with height/depth standards and have handrails. (4) Limit height of storage shelves to allow sprinklers to work properly. (5) Update evacuation maps to match the layout of production floors. (6) Avoid storing objects on the floor; keep walkways clear.</p>

Compliance Classifications	Immediate Action Required
Local Law	Egyptian Labor law no. 12/2003 article no. 223, Egyptian Fire Code, Book one 3.8
Benchmark ID	HSE.5.1.2
Benchmark Details	All applicable, legally required or recommended elements of safe evacuation shall be complied with, including all the following elements: installation and maintenance of fire alarms;
Finding Details	The rest area where the workers have their meals does not have smoke detectors or a fire alarm. This room has a security camera, despite the fact that it is also used as a locker room. Factory management explained that they already plan to address this by re-arranging the different rooms at the factory.
Recommendation for Immediate Action	Install fire detection and alarm systems in the cafeteria. Ensure workers' privacy in the area designated as the locker room.
Compliance Classifications	Immediate Action Required
Local Law	Egyptian labor law 12/2003, article no. 214, Egyptian Fire Code, Book 1, 3.8
Benchmark ID	HSE.5.1.4
Benchmark Details	All applicable, legally required or recommended elements of safe evacuation shall be complied with, including all the following: ensuring aisles/exits are not blocked and that workers are not blocked within their workstations
Finding Details	(1) The evacuation corridors in the first production building were blocked by construction columns. (2) Exit doors are used as loading doors in the first production building. On the second day of the audit, a container truck using an exit door to unload was blocking the door.

Recommendation for Immediate Action	(1) Production lines and exit routes will be alternated to avoid having columns within exit routs. (2) Keep all exits free of any obstructions and do not use them for other purposes.
Compliance Classifications	Immediate Action Required
Local Law	Egyptian labor law 12/2003, article no. 214, Egyptian Fire Code, Book 1, 4.1 & 4.4
Benchmark ID	HSE.9.1
Benchmark Details	All chemicals and hazardous substances shall be properly labeled and stored in secure and ventilated areas and disposed of in a safe and legal manner, in accordance with applicable laws and international standards.
Finding Details	1. At main chemical warehouse, secondary containment was made in-house using wood that has cracks and may lead to leakage of chemicals to the floor. Ventilation exhaust was not installed. 2. At colour mixing station, no secondary containment was found for stored chemicals on shelves and different kind of chemicals were found on the same shelf; Thinner, pigment and oil spray at the same shelf without MSDS. 3. Colour containers were open and kept in cartoon or perforated containers on floor. Barrels of unidentified substance were found within workshop.
Recommendation for Immediate Action	Ensure chemicals and hazardous substances are properly labeled and stored in secure and sufficiently ventilated areas, provided with secondary containment, disposed of in a safe and legal manner, in accordance with applicable laws and international standards.
Compliance Classifications	Immediate Action Required
Local Law	Egyptian Labor law 12/2003, article no. 211
Benchmark ID	HSE.19

Benchmark Details	All facilities including workplace buildings, toilets, canteens, kitchens, and clinics, shall be kept clean and safe and be in compliance with all applicable laws, including relevant sanitation, medical, and safety and health regulations.
Finding Details	(1) The accessories warehouse located on the ground floor of the first production building is very disorganized, with high shelves and leaning stacks of cartons. In the same building, the assessment observed that shelves for storage of products were bent and leaning. (2) The main workshop outside the embroidery and printing section was disorganized and cluttered, with spare parts and maintenance gear on floor. (3) The men's washrooms at the embroidery and production areas lacked soap.
Recommendation for Immediate Action	(1) (2) Keep all production and non-production areas clean and organized. (3) Provide soap and hand drying facilities in all washrooms.
Compliance Classifications	Immediate Action Required
Local Law	Egyptian labor law 12/2003, article 240
Benchmark ID	HSE.13
Benchmark Details	All necessary ventilation, plumbing, electrical, noise and lighting services shall be installed and maintained to conform to applicable laws and to prevent or minimize hazardous conditions to workers in the facility.
Finding Details	(a) Records of the most recent working environment inspections include a noise level check. In the embroidery section, the assessment found levels of 55 & 60 dBs. At the sewing production line, the levels were 70 to 76 dBs. Under normal circumstances, noise levels at the embroidery section would be higher than those of the sewing area. (b) The factory's VOC test documentation does not state which components were tested. All readings recorded in the document are either "1" or "2" without further explanation.
Recommendation for Immediate Action	Re-conduct the working environment inspections with an authorized third party. Ensure reliable testing of workplace conditions to maintain the good health and safety of all workers.

Compliance Classifications	Immediate Action Required
Local Law	Egyptian labor law no. 12/2003, article no. 217
Benchmark ID	HSE.14.1
Benchmark Details	All production machinery, equipment and tools shall be properly guarded and regularly maintained.
Finding Details	1. No warning on rotating parts or heat were found on dryers. 2. All sewing machines lacked needle guard and around 80% of workers were removing eye protection. 3. Cover of machine motor conveyor belt was missing for old sewing machines. 4. Punching machine located at workshop outside printing area lacked eye protection and grinding machine located in workshop at the first floor of the first production building lacked eye and finger protection. 5. Broken Needle record was not completed; not all needle pieces are collected properly, data describing needle, date and location were not completed for all needles. 6. Compressor was leaking oil to the floor and stored oil container beside it didn't have secondary containment. Compressor's door was open during facility tour and no sign was found on restriction of entrance. Storage was found of waste within compressor's area. Compressor and generator are being maintained and checked internally only.
Recommendation for Immediate Action	1. Warning on rotating parts and heat will be installed wherever needed. 2. Ensure all protective guards are provided on machines in the factory, including needle guards, protective eye and finger guards 3. All moving parts of the machines will be covered properly to maintain 100% coverage of all belts and gears. 4. High risk machinery will be inspected by an authorised third party on annual basis. 5. Needle record will be completed properly; all needle parts will be collected and pinned on the document correctly 6. Compressor will be maintained properly and all high risk areas will be marked as restricted areas with specific personnel access.
Compliance Classifications	Immediate Action Required
Local Law	Egyptian labor law 12/2003, article no. 219 & 237

Benchmark ID	HSE.6.1
Benchmark Details	All safety and medical equipment (e.g. fire fighting equipment, first aid kits) shall be available in sufficient numbers throughout the workplace, maintained and stocked as prescribed, and easily accessible to workers.
Finding Details	(1) The eye wash station at the printing department does not have sufficient water pressure to reach the user's eyes. (2) The components of the first aid box components do not match the list posted on the box.
Recommendation for Immediate Action	(1) Provide a steady water pressure at the eye wash station. Conduct regular checks and record results to ensure proper functioning. (2) Provide all safety and medical equipment in sufficient numbers and in good conditions throughout the workplace. Properly label all stores of medical/first aid suppliers.
Compliance Classifications	Immediate Action Required
Local Law	Egyptian Labor law 12/2003, article 211 & 212
Benchmark ID	HSE.18.2.1
Benchmark Details	An appropriate number of medical staff shall be on duty during all working hours, including any type of overtime, as required under national law.
Finding Details	Worker interviews and attendance logs for the clinic nurse confirmed that the clinic operates only during regular working hours.
Recommendation for Immediate Action	Post at least one nurse on duty during all working hours, including overtime.
Compliance Classifications	Immediate Action Required
Local Law	Egyptian labor law 12/2003, Article no. 220
Benchmark ID	HSE.1

Benchmark Details	Employers shall comply with all national laws, regulations and procedures concerning health, safety, and the environment.
Finding Details	Building safety certificate is missing for the second building. Facility doesn't have a designated waste area for hazardous waste and general waste is kept in an open area without protection from environmental conditions. Facility doesn't have permit from the ministry of Environment and the facility itself doesn't have proper water treatment station; wastewater is being stored in a tank below floor and is connected to another one that chemicals are being added to it to treat the water then it is discharged to normal waste system. Environment approval didn't include water treatment. H&S committee includes only one worker and MoM including items discussed related to production, i.e. buying new machines and its effect on production figures. Moreover, more details needed to be included in the record.
Recommendation for Immediate Action	-Facility will obtain building safety certificate for all facility buildings and will have it renewed on annual basis as required legally. Facility will also obtain a license for operating water treatment station. - H&S committee will have half of its members from workers side as stipulated by law and Meeting will be related to H&S issues and remediations. -Facility will have a separate area for solid waste and hazard waste; solid waste area will have segregation of different materials and hazard waste will be closed and protected from unauthorized access. Both areas will have proper isolation from external environmental elements. Additionally, facility will reevaluate current water treatment station by an unauthorized third party and will update the station accordingly.
Compliance Classifications	Immediate Action Required
Local Law	Environment law no. 4/1994, article 33. Ministerial decree no. 134/2003, artical no 5.
Benchmark ID	HSE.20
Benchmark Details	Employers shall establish the number of toilets required under applicable laws within reasonable distance of the workplace. In addition, the following should also be considered: number of toilets based on number of workers, privacy for each individual and gender, accessibility and hygiene.

Finding Details	(1) The mens' washrooms was closed for renovation on the 2nd floor of the first production building. As a result, there were only 7 toilets available for men in the building. (2) In one washroom, the assessment found broken pieces of mirror stuck back on the wall. The assessment determined that workers had placed these pieces.
Recommendation for Immediate Action	(1) Keep the proper number of washroom facilities available, even when renovation is required. (2) Provide a safe environment in the washrooms and eliminate improper installations, such as broken mirrors, from toilets.
Compliance Classifications	Immediate Action Required
Local Law	
Benchmark ID	HSE.21
Benchmark Details	Employers shall not place any undue restrictions on toilet use in terms of time and frequency.
Finding Details	The facility uses a pass system for the washrooms. Each line has 3 washrooms and a fourth one with the supervisor. Emergencies, pregnant workers and people with medical needs are excluded from this system.
Recommendation for Immediate Action	Allow workers to use restrooms without restrictions. End the card/pass system and do not place any undue restrictions on toilet use in terms of time and frequency.
Compliance Classifications	Immediate Action Required
Local Law	
Benchmark ID	HSE.29
Benchmark Details	Employers shall provide all necessary protection for workers when working at heights, confined spaces, and other high-risk areas.
Finding Details	The compressor next to the first production building is placed on an elevated platform without fall protection.

Recommendation for Immediate Action	Provide all necessary protection for workers when working at heights. Regularly inspect high-risk areas.
Compliance Classifications	Immediate Action Required
Local Law	Egyptian Labor law no. 12/2003, article no.
Benchmark ID	HSE.17.2
Benchmark Details	Employers shall train workers in proper lifting techniques, and items such as lifting belts shall be provided.
Finding Details	Through worker interviews and document review, the assessment confirmed that the facility does not provide any training for workers on ergonomics, including proper lifting techniques.
Recommendation for Immediate Action	Provide periodic training programs on proper lifting techniques.
Compliance Classifications	Immediate Action Required
Local Law	Egyptian labor law 12/2003, article no. 217
Benchmark ID	HSE.10.1
Benchmark Details	Material Safety Data Sheets (MSDS) for all chemicals and hazardous substances used in the workplace must be available at the usage and storage sites of the chemicals and hazardous substances, in the local language and the language spoken by workers, if different from the local language.
Finding Details	At the color mixing station; the assessment observed a shelf used to store thinner, pigment, and oil spray without Material Safety Data Sheets (MSDS) for the thinner and spray. The assessment observed glue in an unidentified container stored on top of a dryer without an MSDS in local language.
Recommendation for Immediate Action	Maintain Material Safety Data Sheets (MSDS) for all chemicals and hazardous substances used in the workplace. Keep MSDS at the usage and storage areas of these substances, in the local language.

Compliance Classifications	Immediate Action Required
Local Law	Egyptian Labor law 12/2003, article no. 211
Benchmark ID	HSE.30.2.6
Benchmark Details	The health, safety, and environmental policies shall contain the framework for a comprehensive health, safety, and environmental management system including a HS&E risk assessment within which the following are clear and regularly tested and reviewed:protections to workers who allege health, safety, and environmental violations;
Finding Details	The factory's risk assessment is very basic and does not cover all key risks. The assessment is focused on the printing section and only covers electrification, fire, leakage or spills, organization and order, and means of rescue.
Recommendation for Immediate Action	Develop a framework, within the comprehensive health, safety, and environmental management system, for a full HS&E risk assessment. This should include protections to workers who allege health, safety, and environmental violations. Conduct a complete and thorough risk assessment.
Compliance Classifications	Immediate Action Required
Local Law	Egyptian Labor law no. 12/2003, article no. 239
Benchmark ID	HSE.7
Benchmark Details	Workers shall be provided at no cost with all the appropriate and necessary personal protective equipment (e.g. gloves, eye protection, hearing protection, respiratory protection) to effectively prevent unsafe exposure (e.g. inhalation or contact with solvent vapors, noise, dust) to health and safety hazards, including medical waste.

Finding Details	(1) Some of the inline Ironing machine operators do not have anti-fatigue mats at their stations (2) Machines throughout the facility lacked proper guards. All sewing machines lacked needle guards. Around 80% of machines had the eye guards removed. On the factory's older sewing machines, the cover of the machine belt was missing. The punching machine located outside the printing area lacks eye protection. The grinding machine located on the first floor of the first production building lacks eye and finger protection.
Recommendation for Immediate Action	(1) Provide anti-fatigue mats for all workers who stand at their stations. (2) Ensure all protective guards are provided on machines in the factory, including needle guards, protective eye and finger guards, and motor/belt covers. Train and supervise workers not to move or remove machine guards.
Compliance Classifications	Immediate Action Required
Local Law	Egyptian labor law 12/2003, article no. 217
Benchmark ID	HSE.8
Benchmark Details	Workers shall be provided with training on the use and maintenance of personal protective equipment. Training shall be upon hire with periodic refresher training offered to all workers. Management will ensure use of PPE as necessary.
Finding Details	Please refer to HSE.7
Recommendation for Immediate Action	
Compliance Classifications	Sustainable Improvement Required
Local Law	
Benchmark ID	HSE.14.2
Benchmark Details	Workers shall receive training in the proper use and safe operation of machinery, equipment and tools they use.

Finding Details	The facility doesn't provide training to workers operating machinery. Additionally, the facility doesn't provide safety training to designated workers with special/high-risk responsibilities.
Recommendation for Immediate Action	Provide periodic training for all workers on the proper use and safe operation of machinery, equipment and tools they use.
Compliance Classifications	Immediate Action Required
Local Law	Egyptian labor law 12/2003 article no. 237
Benchmark ID	HSE.9.2
Benchmark Details	Workers shall receive training, appropriate to their job responsibilities, concerning the hazards, risks and the safe use of chemicals and other hazardous substances.
Finding Details	Through workers interviews, it was observed that only 10% of workers at printing department were aware of chemical safety and none of them has received proper chemical safety training.
Recommendation for Immediate Action	Provide chemical training to all printing department workers on their job responsibilities, concerning the hazards, risks and the safe use of chemicals and other hazardous substances.
Compliance Classifications	Immediate Action Required
Local Law	Egyptian Labor law 12/2003, article no. 221
Benchmark ID	HSE.17.1
Benchmark Details	Workstations, including seating and standing arrangements and reach required to obtain tools, shall be designed and set-up in such a manner as to minimize bodily strains.
Finding Details	The facility provides wooden chairs with back support, but without adjustable heights or adjustable back supports. The assessment observed many broken chairs at the production area.

Recommendation for Immediate Action	Provide chairs for workers that can be adjusted in height and angle.
Compliance Classifications	Immediate Action Required
Local Law	Egyptian Labor law 12/2003, article 215

Hours Of Work (HOW)

Benchmark ID	HOW.6
Benchmark Details	Employers' personnel practices shall demonstrate an effort to maintain a level of staffing that is reasonable in view of predictable or continuing fluctuations in business demand.
Finding Details	Refer to HOW.21
Recommendation for Immediate Action	
Compliance Classifications	Sustainable Improvement Required
Local Law	
Benchmark ID	HOW.3
Benchmark Details	Employers shall provide reasonable meal and rest breaks, which, at a minimum, must comply with national laws.
Finding Details	The facility provides a 30-minute break after 5 and a half continuous working hours. Under local law, workers should be provided with at least 60 minutes of break after 5 hours of continuous work.
Recommendation for Immediate Action	Schedule breaks for workers in accordance with local law and ensure that workers take these breaks.

Compliance Classifications	Immediate Action Required
Local Law	Egyptian labor law 12/2003, article 81
Benchmark ID	HOW.10.1
Benchmark Details	Employers shall provide workers with all official public holidays as required under national laws, regulations and procedures.
Finding Details	Please refer to C.9.3.
Recommendation for Immediate Action	
Compliance Classifications	
Local Law	
Benchmark ID	HOW.21
Benchmark Details	Other than in exceptional circumstances, the total weekly work hours (regular work hours plus overtime including any alternative shifts such as 4x4 or 3x3) shall not exceed 60 hours per week.
Finding Details	(1) The assessment found that in May 2023, 25 workers in the printing section worked more than 10 hours per day. These workers started working at 7:30am and finished working at 12:00am, totaling 16 hours of work. One case of a worker performing this same 16-hour shift was found in March 2023. (2) The assessment found evidence of workers spending the night at the facility. The assessment observed mattresses near the stairs to the roof which appeared to be used.
Recommendation for Immediate Action	(1) Ensure that work hours in one day (regular hours + overtime) do not exceed 10 hours. (2) Cease the practice of allowing workers to sleep in the workplace.
Compliance Classifications	Immediate Action Required

Local Law	Egyptian Labor Law 12/2003, article no. 82
Nondiscrimination (ND)	
Benchmark ID	ND.4
Benchmark Details	Employers may not request the disclosure of any personal, non-job related information during the application, recruitment, or hiring process, including but not limited to gender, race, religion, disability, sexual orientation, nationality, political opinion, social group, ethnic origin, or marital status.
Finding Details	The factory's application form includes questions on military status for men. Previous versions of the form included questions about the applicant's number of dependents.
Recommendation for Immediate Action	Remove all inquiries from recruitment documents related to personal data that could be a basis for discrimination. Regularly review the application, recruitment, and hiring process to avoid asking any non-job related information including but not limited to gender, race, religion, disability, sexual orientation, nationality, political opinion, social group, ethnic origin, or marital status.
Compliance Classifications	Immediate Action Required
Local Law	Egyptian Labor Law 12/2003 article no. 35

