Management System Audit Report
of **Power Container Corporation**

1. Audit information

1.1. Organization information

Company name:	Power Container Corporate			
Contract number:	US	**NJ**		20012
Main address:	33 School RD Somerset, NJ 08873			
Address of other sites:	N/A			
Phone number:	(732) 560-3655			
Website:	www.powercontainer.com			
Total number of employees:	310			
Total number of employees within the scope:	310			
Contact name:	Mr. Muhammad Fahmy			
Contact email:	Mfahmy@powercontainer.com			
Contact phone:	(551) 689-6631			

1.2. Audit information

Audit standard(s):	9001,14001,45001,27716	
Audit type:	☐ Initial Audit	☒ Surveillance 1
	☐ Recertification	☐ Surveillance 2
	☐ Other:	
Date(s) of audit(s):	5/22/2024, 6/5/2024	
Duration:	2 days	
Site(s) audited:	New Jersey Site and Penang, Malaysia Site	
Audit team leader:	Muaz Aly	
Additional team member(s):	Ahmed Alromaissy and Amr Yasser	
Additional attendees and roles:	N/A	

1.3. Audit Scope

Scope of Certification:	**MANUFACTURING OF NON-AEROSOL SPRAY PACKAGING BAG-ON-VALVE AIR-PROPELLED OR RUBBER-PROPELLED, AND IT'S ACCESSORIES AND COMPONENTS.**
Has scope changed since last audit?	NO
The audit is multi-site:	Yes
List of sites in scope:	New Jersey Site and Penang, Malaysia Site
All scope exclusions are appropriate and justified:	Yes

2. Audit preparation and methodology

2.1. Audit objectives

The main purpose of this audit is to evaluate the implementation and effectiveness of the Occuptional health and safety assessment System (OHSAS) including evaluation of conformity to the requirements of OHSAS 18001:2007.

The specific objectives of this audit are to confirm that:

- ☐ ***The organization has determined the boundaries and applicability of the MS in scope;***

2.2. Audit criteria

The audit criteria (the set of requirements) for this audit are all normative clauses of [standard]

IMS

2.3. Audit methodology

[Please explain the methodology used by the audit team to perform this audit, similar to the sample below]

The audit team has conducted a process-based audit focusing on the significant aspects, risks and objectives. The auditors have used audit procedures to collect evidence in sufficient quantity and quality to validate the conformity of the management system of the organization. The use of audit procedures in a systematic way reduces the audit risk and reinforces the objectivity of the audit conclusions.

The audit team has used a combination of evidence collection procedures to create their audit test plan. The audit methods used consisted of interviews, observations of activities, review of documentation and records, technical tests and analysis of sampling.

The analysis procedure allows the audit team to draw conclusions concerning a whole by examining a part. It allows the auditor to estimate characteristics of a population by directly observing a part of the whole population. The sampling method used during this audit was a random sampling (or interval sampling) technique with a margin error of 3 to 5 %.

Technical tests, including testing of the effectiveness of a process or control have not been performed by the auditors themselves. The operations have always been performed by the personnel of the auditee.

2.4. Previous audit results

The results of the last audit of this system have been reviewed, in particular to assure appropriate correction and corrective action have been implemented to address any nonconformity identified. This review has concluded that:

☒ any nonconformity identified during previous audits has been corrected and the corrective action continues to be effective
☐ any nonconformity identified during previous audits hasn't been addressed adequately and the specific issue has been re-defined in the nonconformity section of this report
☐ N/A (no previous audits)

2.5. Audit planning

[Please describe how the audit was planned by the audit team. Please check the example below]

The team leader of the audit has established an initial contact with the auditee to make arrangement for this audit, including scheduling the dates. The team leader has validated the feasibility of the audit, the audit objectives, the audit scope, the location and the audit criteria.

The audit plan was sent to the auditee and it was confirmed before the opening meeting between the audit team and the auditee.

The onsite audit was started with an opening meeting which has been attended by the general manager and the OHSAS responsable. The USQC profile, audit purpose, methodology, reporting system, appeal process and confidentiality were briefly presented to the client during the opening meeting.

2.6. USQC complaint and appeal process

Any client may dispute any decision made by the auditor team and file a complaint against that decision. Such complaints must be in writing and will be subjected to USQC's procedure for handling appeals and disputes. If USQC management fails to resolve the issue internally to the client's satisfaction, the issue will be reviewed by USQC's Advisory Board.

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3. Significant audit trails followed

Notes on usage by the auditor:

Under the column "Status", please use the following key to record your assessment result for each clause:

***A** = Acceptable,*
***N/A** = Not Applicable (Out of Scope),*
***MaNC** = Major Nonconformity*
***MiNC** = Minor Nonconformity*
***OBS** = Observation*
***OFI** = Opportunity for improvement*
**nonconformities are explained in "Section 4: Audit Findings".*

Evidence should be provided also for 'Acceptable' clauses.

If nonconformity is identified (Minor or Major), please include the number of the nonconformity in the column "No. of NC". Detailed description of the nonconformity should be provided in Annex A – Nonconformity Report.
If OBS or OFI is identified, please explain in details the finding(s) in section 4.4 and 4.5.

4. Audit findings

The audit findings were communicated to the senior management of the organization during the closing meeting. The final conclusion of the audit results and recommendation by the audit team was also communicated to the management during the meeting.

4.1. Audit finding definition

The evaluation of the audit findings is based on the following definitions:

Major Nonconformities (MaNC)

The **absence** or **total failure** of a **system** to meet a requirement. It may be either:

A number of minor nonconformities against one requirement can represent a total failure of the system and thus be considered a major nonconformance; or

Any nonconformance that would result in the probable shipment of a nonconforming product. A condition that may result in the failure or materially reduce the usability of the products or services for their intended purpose; or

A nonconformance that judgment and experience indicate is likely either to result in the failure of the quality system or to materially reduce its ability to assure controlled processes and products.

Minor Nonconformities (MiNC)

A **nonconformance** that judgment and experience **indicate is not likely to result in the failure** of the quality system or **reduce its ability** to assure controlled processes or products. It may be either:

A failure in some part of the supplier's documented quality system relative to a requirement; or

A single observed lapse in following one item of a company's quality system.

Observations (OBS)

Any issues which are **likely to become a NC,** if not treated until the next audit are marked as observations (OBS). No response is required.

Opportunities for Improvement (OFI)

If **certain aspects** which generally comply with the requirements of the standard should be improved, then they are marked as opportunities for improvement (OFI). These OFIs help to **improve the management system** as a whole or named processes. No response is required.

4.2. Major nonconformities (see NCR)

No Major non conformeties were found during the audit

4.3. Minor nonconformities (see NCR)

1. Clause Reference: ISO 9001:2015 - 8.4.1 (Control of external providers)

   Finding: During the meeting with the purchasing department, it was noted that one of the suppliers, McMaster, was not listed on the approved supplier list. (PCC)

2. Clause Reference: ISO 45001:2018 - 6.1.2.1 (Hazard identification)

2.1 Finding: Pipe is used for wip bags posed a tripping hazard (recurring issue when the wet bags are in use, as they become visible and obstructive). (PCC)

2.2 Finding: The floor around the sink was wet with no warning sign and no risk Identification. (PCM)

2.3 Finding: The maintenance room was not organized, with items misplaced on the floor, creating potential tripping hazards. (PCC)

2.4 Finding: Personnel working in the silicon sink with no gloves. (PCM)

2.5 Finding: NO Risk Assessment for the smoking area fire hazard. (PCM)

2.6 Finding: Tools used on machines lacked designated storage areas, resulting in them being placed on or near the machines, which could cause safety issues. (PCC)

4.4. Observations

1- Clause Reference: ISO 9001:2015 - 7.5.3 (Control of documented information)

Finding: The purchasing department showed a need for enhanced familiarity with accessing key documents relevant to their process, such as the approved supplier list and tracing a product back to its purchase order. This issue was also noted in previous audits. (PCC)

2- GMP Requirements

2.1 Finding: During the GEMBA walk, bags of products were observed on the floor. (PCC)

2.2 Finding: Spider webs on the ceiling and on windows. (PCM)

3- Clause Reference: ISO 9001:2015 - 8.5.4 (Preservation)

   Finding: Signs indicating "Do not inventory" were not sufficiently visible or properly displayed. (PCC)

4- Clause Reference: ISO 45001:2018 - 8.2 (Emergency preparedness and response)

4.1 Finding: The posted evacuation plans did not include an assembly point. (PCC)

4.2 Finding: The lines painted on the ground from the factory door to the assembly point were not visible due to significant wear. (PCC)

5- **Clause 8.1.2** - Eliminating hazards and reducing OH&S risks

Finding: Near miss involving a forklift moving around the operation floor with no notification, almost causing an accident (An alarm has been installed for forklift operations). (PCM)

6- **Clause 7.2** – Competence

Finding: The auditors engaged for internal audits and supplier audits were not formally certified in Auditing, raising concerns about their competency and qualifications for conducting audits effectively.

It is noted that the organization is currently taking steps to address this issue by implementing a training program to enhance individuals' auditing knowledge and skills, with the intention of obtaining formal certification in Auditing to ensure audit quality and compliance in future audits

4.5. Opportunities for improvement

1. First aid kit & eye wash station are not located on maps. (PCM/PCC)

Recommendation: Update facility maps to include the locations of the first aid kit and eye wash station.

2. Rats trap outside the factory are movable. (PCM)

3. *Loading door is not completely sealed.*

Recommendation: tent above the door for rain control next to the packing area (PCM)

4.6. Agreed follow-up activities

Nonconformities detailed here need to be addressed through the organization's corrective action process, in accordance with the relevant corrective action requirements of the audit standard, including actions to analyze the cause of the nonconformity, prevent recurrence, and complete the maintained records.

Corrective actions to address the identified major nonconformities, shall be carried out immediately and USQC shall be notified of the actions taken within 90 days. To confirm the actions taken, evaluate their effectiveness, and determine whether certification can be granted or continued, a USQC auditor will perform a follow up visit within 90 days.

Corrective actions to address the identified minor nonconformities shall be documented on an action plan and be sent for review by the client to the auditor within 90 days. If the actions are deemed to be satisfactory, they will be followed up during the next scheduled visit.

Nonconformities shall be addressed through the client's corrective action process, including:

- ☐ ***Actions taken to determine the extent of and contain the specific nonconformance.***
- ☐ ***Root Cause (results of an investigation to determine the most basic cause(s) of the nonconformance.).***

- ☐ ***Actions taken to correct the nonconformance and, in response to the root cause, to eliminate recurrence of the nonconformance.***
- ☐ ***Corrective action response shall be submitted to the USQC Lead Auditor.***
- ☐ ***Client must maintain corrective action records, including objective evidence, for at least three (3) years.***

4.7. Uncertainty / obstacles that could affect the reliability of audit conclusions

N/A

4.8. Unresolved diverging opinions between the audit team & auditee

N/A

5. Audit conclusions and audit recommendation

5.1. System management conformance and capability

[Please describe if the management system has proven conformity with the requirements of the audit standard and provided adequate structure to support implementation and maintenance of the management system

i.e:

- *demonstration of effective implementation and maintenance of MS*
- *demonstration of established and tracking of proper key performance objectives and targets*
- *implementation of internal audit programme etc.]*

5.2. Audit conclusions

Has there been any serious deviation from the audit plan? (If yes, please specify)	Yes ☐ No ☒
Are there any significant issues impacting the audit program? (If yes, please specify)	Yes ☐ No ☒
Are there any significant changes affecting the management system since last audit took place? (If yes, please list the significant changes)	Yes ☐ No ☒ N/A ☐
Are there any unresolved issues affecting the management system since last audit took place? (If yes, please list the unresolved issues)	Yes ☐ No ☒ N/A ☐
The verification of the effectiveness of the corrective action taken regarding previously identified nonconformities has been performed and is satisfactory (please list any comments if needed)	Yes ☒ No ☐ N/A ☐
The management system is designed to achieve the organization's policy objectives	Yes ☒ No ☐
The management system is designed to meet statutory, regulatory and contractual requirements	Yes ☒ No ☐
The internal audit and management review processes are in place and adequate	Yes ☒ No ☐
The audit was successful in meeting the stated objectives	Yes ☒ No ☐

• Annex A: Certification Information

GENERAL INFORMATION		
Number of Certificates (for hardcopy)	0	
Languages	☒ English	☐ Other
Name of the company (to be put in the certificate)	Power Container Corporation.	
Address (to be put in the certificate)	33 School House RD Somerset, NJ 08873 , USA. POWER CONTAINER MALAYSIA SDN. BHD. PT 5281, Jalan Cassia Selatan 3/8, Batu Kawan Industrial Park Seberang Perai Selatan, 14100 Simpang Ampat, Penang, Malaysia	
Certification Scope Statement (to be put in the certificate)	MANUFACTURING OF NON-AEROSOL SPRAY PACKAGING BAG-ONVALVE AIR-PROPELLED OR RUBBER-PROPELLED, AND IT'S ACCESSORIES AND COMPONENTS.	
DELIVERY ADDRESS		
Title (Mr., Ms.)	Mr	
First name	Muhammad	
Last name	Fahmy	
Address	33 School House RD. Somerset, NJ 08873 , USA.	
Email address	mfahmy@powercontainer.com	

6. Annex B: Surveillance Plan

Surveillance Plan					
1: Initial Audit **2:** Surveillance 1 Audit **3**: Surveillance 2 Audit **4**: Recertification Audit		Plan			
		1 (2023)	**2 (2024)**	**3 (2025)**	**4 (2026)**
	Use of Logo	X	X	O	O
Notes and comments:	If you need to request additional logos or if you have any queries regarding the use of these logos, please reach out directly to our administration team at admin@usqc.us. They will be happy to assist you.				

For completed visits, mark "X" in the box for each clause/process covered.
For planned visits, mark "O" in the box for each clause/process to be covered.