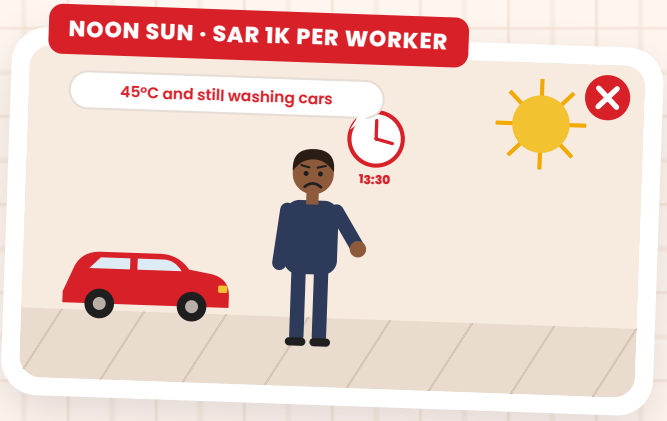
• FINES MULTIPLY PER WORKER Part 1 of 2 · Basic requirements

Labour Law Compliance Guidebook for Automotive Companies

Contracts, wages, hours, leave, permits, Saudization and safety: what MHRSD inspectors check, what good looks like, **and how one gap, multiplied by every worker, becomes a six-figure fine.**





2 in 3

MHRSD inspection visits found a violation: **168,000** from 250,000 visits in Q1 2026.

SAR 20K

per case for **lending workers out** or trading visas, the top of this schedule.

Frozen

Unpaid fines **block Qiwa and Ajeer**: no new visas, transfers or permits.

54 standards | Decision 112377 fines | Right way / wrong way | Real enforcement data | Ideal fix time

Feb 2026 New fine schedule → **Q1 2026** 250,000 inspections → **Q1 2026** 168,000 violations → **Inspectors visit every day.**

WHY THIS GUIDEBOOK EXISTS

Your biggest labour risk isn't one violation. It's the same one, 50 times.

A dealership employs technicians, advisors, sales staff, drivers and car-wash crews, often from many countries, across several branches. Most labour fines under MHRSD's **Decision 112377 (Feb 2026)** are charged **per worker**, so one wrong payroll rule or roster habit is multiplied by everyone it touches.

Part 1 covers the 54 basic requirements every establishment must meet. Part 2 covers the advanced checklist.

WHAT PART 1 COVERS

12 Employment Contracts & Records
up to ≤ SAR 100K

9 Saudization & Work Permits
up to ≤ SAR 100K

9 Occupational Health & Safety
up to SAR 5K

8 Working Hours & Leave
up to SAR 3K/worker

5 Wages & End of Service
up to SAR 3K/worker

4 Women Employment
up to SAR 3K/worker

2 Discipline & Conduct
up to SAR 3K/worker

2 Work Environment & Welfare
up to SAR 5K

2 Training & Development
up to ≤ SAR 100K

1 Fire & Emergency Safety
up to SAR 1K

HOW MHRSD CALCULATES YOUR FINE

Size decides the fine

Category A (50+ workers) pays the most, then B (21–49), then C (≤20), based on total workers under the unified number.

Per worker, per case

Many rows multiply: one policy applied to 20 workers is 20 fines.

Serious vs not serious

Serious violations carry heavier sanctions, including service suspensions or bans.

60 days to pay

Objecting doesn't pause the fine. Unpaid fines freeze Qiwa, Ajeer and MHRSD services.

WHO IT'S FOR

Dealer principals & GMs

See how quickly per-worker fines add up.

HR & branch managers

Know exactly what inspectors check, and fix it first.

Auditors

Sample the right records, and count the workers affected.

TWO VIOLATIONS FOR EVERY THREE VISITS

250,000 inspections. 168,000 violations. In three months.

In Q1 2026, MHRSD carried out more than **250,000 inspection visits**, found **168,000 violations**, examined around 91,000 suspected sham-Saudization cases and **cancelled more than 7,200 work visas**. In February 2026 it also published a new, tougher fine schedule.

THE PENALTY LADDER

LEVEL 1
SAR 300
Per worker: PPE not used, night-work rules, late wages (per cycle).

LEVEL 2
SAR 3,000
Per worker: leave refused, passport kept, fees charged, rest day denied.

LEVEL 3
SAR 10–20K
Per worker or case: no work permit, wrong occupation, lent-out workers, visa trading.

LEVEL 4
SAR 100K + freeze
General penalty where no row applies, doubled on repeat. Services frozen, bans.

WHAT CHANGED IN FEBRUARY 2026

VIOLATION	BEFORE	DECISION 112377 (FEB 2026)
Keeping a passport / Iqama	SAR 1,000 fixed	**SAR 2,000–3,000 per worker**
Working outside the permitted occupation	SAR 300–1,000 per worker	**SAR 3,000–10,000 per worker**
Saudization violations	SAR 2,000–8,000 per worker	**SAR 3,000–10,000 per worker**
Not cooperating with an inspector	SAR 3,000–5,000	**SAR 10,000, any size**
Letting a worker work for others	—	**SAR 10,000–20,000 per case (new)**

ONE OF EACH, ONCE
SAR 188K
If a 50+ worker dealership failed every Part 1 standard **once**.

MULTIPLIED BY 20 WORKERS
SAR 3.15M
The same failures where 35 per-worker rows hit **20 workers each**.

AND THEN
Frozen
Unpaid after 60 days: **no visas, no transfers, no permits** until you pay.

HOW TO USE THIS GUIDE

One page per standard. Count every worker.

Fines shown are Category A (50+ workers). "/worker" and "/case" mean the fine is multiplied. Score each checkpoint **Pass**, **Fail** or **N/A** (only where "Applies when" rules it out), and for fails, **record how many workers are affected**.

Immediate | 24 hours | 72 hours | 7 days | 30 days

EMPLOYMENT CONTRACTS & RECORDS

LAB-B-001	Establishment Data Submitted to Ministry	MODERATE	SAR 1,500	7 days	6
LAB-B-002	Accurate Information Provided to Ministry	MODERATE	SAR 3K/worker	24 hours	7
LAB-B-004	Records Kept & Working Hours Posted	SEVERE	≤ SAR 100K	72 hours	9
LAB-B-005	Arabic Used in Employment Documents	MODERATE	SAR 1K	30 days	10
LAB-B-006	Work Organization Regulations Prepared & Announced	MODERATE	SAR 1K	30 days	11
LAB-B-007	Service Certificate Issued on Termination	MODERATE	SAR 3K/worker	7 days	12
LAB-B-008	Worker Documents Returned on Termination	MODERATE	SAR 3K/worker	24 hours	13
LAB-B-023	Written Employment Contracts in Two Copies	MODERATE	SAR 1K/worker	7 days	28
LAB-B-024	Probation Period Stated & Within Limit	SEVERE	≤ SAR 100K	7 days	29
LAB-B-025	No Relocation Without Written Consent	SEVERE	≤ SAR 100K	7 days	30
LAB-B-042	Written Fixed-Term Contracts for Non-Saudis	MODERATE	SAR 1K/worker	7 days	47
LAB-B-043	Passports & Iqamas Not Retained	MODERATE	SAR 3K/worker	Immediate	48

SAUDIZATION & WORK PERMITS

LAB-B-003	No Fictitious Saudi Registration	HIGH	SAR 15K/case	Immediate	8
LAB-B-011	No Trading in Work Visas	HIGH	SAR 20K/worker	Immediate	16
LAB-B-026	Saudization Plan & Replacement Register	SEVERE	≤ SAR 100K	30 days	31
LAB-B-041	No Unauthorised Work for Other Parties	HIGH	SAR 20K/case	Immediate	46
LAB-B-044	Valid Permits for Employed Dependents	HIGH	SAR 10K/worker	Immediate	49
LAB-B-045	Saudi-Only Occupations Respected	HIGH	SAR 10K/worker	72 hours	50
LAB-B-046	Workers Employed in Permitted Occupation	HIGH	SAR 10K/worker	72 hours	51
LAB-B-047	Valid Work Permits for Non-Saudis	HIGH	SAR 10K/worker	Immediate	52
LAB-B-049	Minimum 4% Employment of Persons with Disabilities	SEVERE	≤ SAR 100K	30 days	54

DISCIPLINE & CONDUCT

LAB-B-009	General Employer Duties Toward Workers	MODERATE	SAR 3K/worker	Immediate	14
LAB-B-010	Fines Register Maintained	MODERATE	SAR 3K	7 days	15

OCCUPATIONAL HEALTH & SAFETY					
LAB-B-012	Worker Protection from Hazards at No Cost	MODERATE	SAR 5K	24 hours	17
LAB-B-013	Hazard Briefing & PPE Provided	MODERATE	SAR 5K	24 hours	18
LAB-B-014	Safety Instructions Posted in Arabic	MODERATE	SAR 1K	72 hours	19
LAB-B-015	Workers Use & Maintain Protective Equipment	MODERATE	SAR 300/worker	Immediate	20
LAB-B-017	Midday Outdoor Work Ban Observed	MODERATE	SAR 1K/worker	Immediate	22
LAB-B-018	Safety Devices Not Misused or Disabled	MODERATE	SAR 300/worker	Immediate	23
LAB-B-020	Annual Medical Exams for Exposed Workers	MODERATE	SAR 5K	30 days	25
LAB-B-022	First-Aid Cabinets Equipped	MODERATE	SAR 1K	24 hours	27
LAB-B-050	Injured Worker Re-employed in Suitable Work	MODERATE	SAR 3K/worker	7 days	55
FIRE & EMERGENCY SAFETY					
LAB-B-016	Fire Prevention & Emergency Exits	MODERATE	SAR 1K	Immediate	21
WORK ENVIRONMENT & WELFARE					
LAB-B-019	Clean Premises, Lighting & Potable Water	MODERATE	SAR 5K	24 hours	24
LAB-B-021	Preventive & Curative Health Care Provided	MODERATE	SAR 1K/worker	24 hours	26
TRAINING & DEVELOPMENT					
LAB-B-027	Required Share of Saudi Workers Trained	MODERATE	SAR 500/worker	30 days	32
LAB-B-028	Written Training Contracts	SEVERE	≤ SAR 100K	30 days	33
WORKING HOURS & LEAVE					
LAB-B-029	Daily & Weekly Working Hour Limits	MODERATE	SAR 3K/worker	72 hours	34
LAB-B-030	Weekly Rest Day Granted	MODERATE	SAR 3K/worker	72 hours	35
LAB-B-031	Annual Leave Granted per Entitlement	MODERATE	SAR 3K/worker	7 days	36
LAB-B-032	Paid Public Holiday Leave	MODERATE	SAR 3K/worker	7 days	37
LAB-B-033	Marriage, Bereavement & Paternity Leave	MODERATE	SAR 3K/worker	7 days	38
LAB-B-034	Examination Leave Granted	MODERATE	SAR 3K/worker	7 days	39
LAB-B-035	Sick Leave Paid per Law	MODERATE	SAR 3K/worker	72 hours	40
LAB-B-036	Hajj Leave Granted	MODERATE	SAR 3K/worker	7 days	41
WAGES & END OF SERVICE					
LAB-B-037	Wages Paid in Local Currency on Schedule	MODERATE	SAR 300/worker	24 hours	42
LAB-B-038	Wage Protection System Payments on Time	MODERATE	SAR 2K	24 hours	43
LAB-B-039	End-of-Service Benefit Paid Correctly	MODERATE	SAR 3K/worker	72 hours	44
LAB-B-040	Resignation End-of-Service Benefit Applied	MODERATE	SAR 3K/worker	72 hours	45
LAB-B-048	Employer Bears Recruitment & Permit Fees	MODERATE	SAR 3K/worker	72 hours	53
WOMEN EMPLOYMENT					
LAB-B-051	No Women Night Work Beyond Exemptions	MODERATE	SAR 300/worker	72 hours	56
LAB-B-052	Rest Seating for Women in All Workplaces	MODERATE	SAR 300	72 hours	57
LAB-B-053	Widow's Iddah Leave per Labour Law	MODERATE	SAR 3K/worker	7 days	58
LAB-B-054	Maternity Leave of 12 Weeks Granted	MODERATE	SAR 1K/worker	72 hours	59

LAB-B-001 LABOUR · EMPLOYMENT CONTRACTS & RECORDS · 01 OF 54

Establishment Data Submitted to Ministry

Area **HR · Head office** | Person in charge **HR Manager · Legal & Compliance Officer** | Regulator **MHRSD**

MAXIMUM PENALTY

SAR 1,500

per violation · 50+ workers · SAR 1,000 (21–49) · SAR 500 (≤20)

Unpaid in 60 days: **Qiwa & Ajeer services frozen**

• MODERATE

THE LAW
LABOUR

Saudi Labour Law (Royal Decree M/51 of 1426H, as amended) · MHRSD Schedule of Violations & Penalties, **Decision 112377 (Feb 2026)** · Section (A) **Row 28**: Employer's failure to open a file for the establishment, or failure to update the locations and data of the establishment and its branches according t... [Serious]

WHAT WE CHECK

The establishment's file with the Ministry is open and up to date: name, type, location, contact details, licensed activity, CR number, headcount and manager, for the main site and every branch.

CHECKPOINTS IN THE AUDIT

Q1 Upon commencing work, did the employer send the Ministry the establishment's name, type, location and address; its licensed activity with CR number, date and issuing authority; the number of workers; the manager's name; and any other data requested?

WHAT NON-COMPLIANCE COSTS YOU

THE FINE

SAR 1,500 (50+ workers), SAR 1,000 (21–49) or SAR 500 (≤20) per violation. Classified **Serious** (Row 28).

BEYOND THE FINE

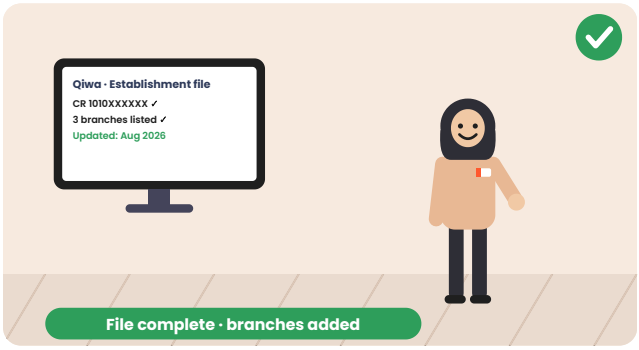
Fines are due within **60 days**, and an objection doesn't pause them. Unpaid fines **freeze Qiwa, Ajeer and MHRSD services**: no new visas, transfers or permits. Serious violations can also bring **service suspensions or bans**.

WHAT HAPPENS NEXT

60 days

to pay an MHRSD fine, and objecting doesn't pause the clock. After that, **Qiwa, Ajeer and MHRSD services are frozen**.

✔ RIGHT WAY



Every branch and its manager are listed in the establishment's Ministry file.

✖ WRONG WAY

SAR 1,500



The new Jeddah branch was never added. The file was last updated in 2021.

PURPOSE

Inspectors start from the Ministry file. If a branch isn't on it, every worker there looks unregistered.

FIX IT WITHIN

◷ 7 days

AUDIT CRITERIA · PASS WHEN

- Establishment file open on Qiwa
- Every branch and its location listed
- Manager, headcount and activity current

IDEAL WAY OF AUDITING

1. Open the establishment file on Qiwa
2. Compare branches with the CR and real sites
3. Check the manager and headcount fields

Evidence: Qiwa screenshot + CR copy.

WORST CASE An out-of-date file is **SAR 1,500**, and it's the first thing that makes an inspector look harder at every branch.

LAB-B-002 LABOUR · EMPLOYMENT CONTRACTS & RECORDS · 02 OF 54

Accurate Information Provided to Ministry

Area **HR · Government relations** | Person in charge **HR Manager · Legal & Compliance Officer** | Regulator **MHRSD**

MAXIMUM PENALTY

SAR 3,000

per worker for whom services or visas were obtained · 50+ workers · SAR 2,000 (21–49) · SAR 1,000 (≤20)

× 20 workers: **SAR 60,000**

• MODERATE

THE LAW
LABOUR

Saudi Labour Law (Royal Decree M/51 of 1426H, as amended) · MHRSD Schedule of Violations & Penalties, **Decision 112377 (Feb 2026)** · Section (A) **Row 26**: Submitting incorrect information to the Ministry that results in obtaining benefits and services [Serious]

WHAT WE CHECK

Everything submitted to the Ministry is true. No false data is used to obtain services or work visas.

CHECKPOINTS IN THE AUDIT

Q1 Does the establishment owner refrain from submitting incorrect information or data to the Ministry that results in obtaining any Ministry service or work visas?

WHAT NON-COMPLIANCE COSTS YOU

THE FINE

SAR 3,000 (50+ workers), SAR 2,000 (21–49) or SAR 1,000 (≤20) per worker for whom services or visas were obtained. Classified **Serious** (Row 26).

BEYOND THE FINE

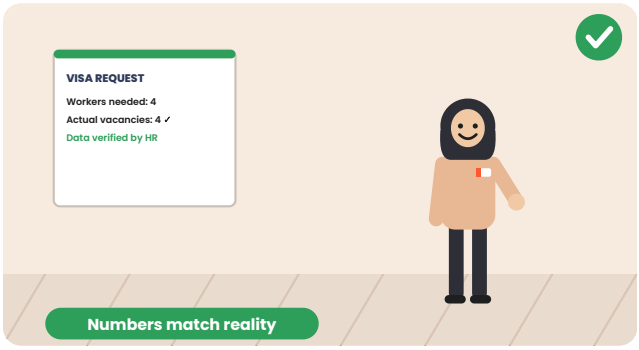
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REAL ENFORCEMENT

7,200+

work visas cancelled for non-compliant establishments by MHRSD in Q1 2026.

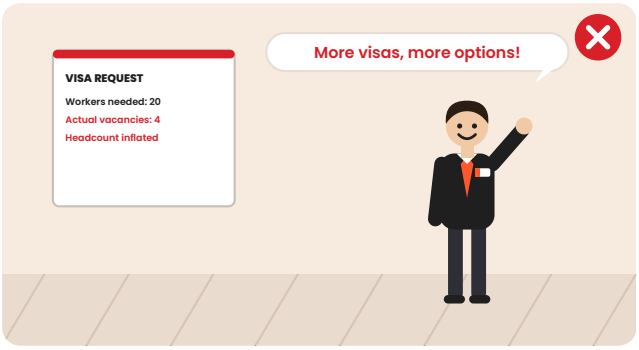
✔ RIGHT WAY



Visa request matches the real vacancies, checked by HR.

✖ WRONG WAY

SAR 3K / WORKER



Headcount inflated to get 16 extra visas.

PURPOSE

False data to the Ministry is fined per worker it was used for. It also puts the whole visa quota at risk.

FIX IT WITHIN

◷ 24 hours

AUDIT CRITERIA · PASS WHEN

- Visa and service requests match real needs
- Headcount data matches payroll and GOSI
- Two-person check before submission

IDEAL WAY OF AUDITING

1. Compare the last 3 visa requests with vacancies
2. Match Qiwa headcount to payroll
3. Ask who approves submissions

Evidence: Requests + vacancy list + payroll count.

WORST CASE It's **SAR 3,000 per worker** the false data was used for: 16 extra visas is **SAR 48,000**, before any visa cancellations.

LAB-B-003 LABOUR · SAUDIZATION & WORK PERMITS · 03 OF 54

No Fictitious Saudi Registration

Area **HR · Saudization** | Person in charge **HR Manager · Legal & Compliance Officer** | Regulator **MHRSD**

MAXIMUM PENALTY

SAR 15,000

per registered person · 50+ workers · SAR 8,000 (21–49) · SAR 5,000 (≤20)

× 20 persons: **SAR 300,000**

• HIGH

THE LAW

LABOUR

Saudi Labour Law (Royal Decree M/51 of 1426H, as amended) · MHRSD Schedule of Violations & Penalties, **Decision 112377 (Feb 2026)** · Section (A) **Row 33**: Employer registering a Saudi worker among the establishment's workers without an actual employment relationship (fictitious Saudization) [Serious]

WHAT WE CHECK

Every Saudi registered as an employee actually works for the establishment and knows they're registered. No "ghost" Saudization.

CHECKPOINTS IN THE AUDIT

Q1 Does the employer refrain from registering a Saudi individual as one of the establishment's workers without their knowledge or consent?

WHAT NON-COMPLIANCE COSTS YOU

THE FINE

SAR 15,000 (50+ workers), SAR 8,000 (21–49) or SAR 5,000 (≤20) per registered person. Classified **Serious** (Row 33).

BEYOND THE FINE

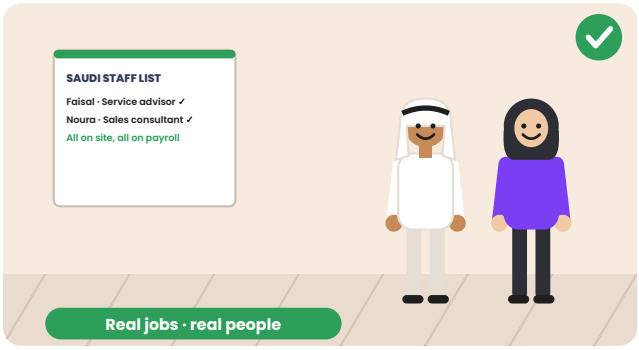
Fines are due within **60 days**, and an objection doesn't pause them. Unpaid fines **freeze Qiwa, Ajeer and MHRSD services**: no new visas, transfers or permits. Serious violations can also bring **service suspensions or bans**.

REAL ENFORCEMENT

13,509

sham-Saudization violations confirmed by MHRSD in Q1 2026, from about **91,000 suspected cases** examined.

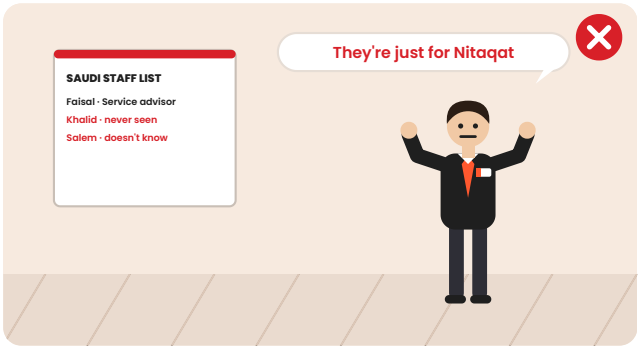
✔ RIGHT WAY



Every Saudi on the list works on site and is on payroll.

✖ WRONG WAY

SAR 15K / PERSON



Two "employees" have never been to the site. One doesn't know he's registered.

PURPOSE

Fake Saudization is one of MHRSD's top targets. It's fined per person, and the Ministry checks tens of thousands of cases a quarter.

FIX IT WITHIN

◷ Immediate

AUDIT CRITERIA · PASS WHEN

- Every registered Saudi works on site
- Each one has a signed contract and payroll record
- No one registered without their consent

IDEAL WAY OF AUDITING

1. Match the GOSI Saudi list to attendance
2. Meet 3 registered Saudis on site
3. Check contracts and bank payments

Evidence: GOSI list + attendance + payroll proof.

WORST CASE It's **SAR 15,000 per fake registration**. Ten ghost Saudis is **SAR 150,000**, and MHRSD confirmed 13,509 such cases in one quarter.

LAB-B-004 LABOUR · EMPLOYMENT CONTRACTS & RECORDS · 04 OF 54

Records Kept & Working Hours Posted

Area **HR · Every site** | Person in charge **HR Manager · Branch / Site Manager** | Regulator **MHRSD**

MAXIMUM PENALTY

SAR 100,000

general Labour Law penalty · no specific row in the schedule

Can be **doubled on repeat**

• SEVERE

THE LAW

LABOUR

Saudi Labour Law (Royal Decree M/51 of 1426H, as amended) · MHRSD Schedule of Violations & Penalties, **Decision 112377 (Feb 2026)** · No specific row in the MHRSD schedule: general penalty provisions of the Labour Law

WHAT WE CHECK

Required HR records are kept at the workplace, and a schedule of working hours, breaks, weekly rest day and shift times is posted where workers can see it.

CHECKPOINTS IN THE AUDIT

Q1 Does the employer keep at the workplace the records, statements and files required by the Implementing Regulations, and post a schedule of working hours, rest periods, weekly rest day and shift start and end times in a visible place?

WHAT NON-COMPLIANCE COSTS YOU

THE FINE

No specific row in Decision 112377. The **general Labour Law penalty of up to SAR 100,000 per violation** applies, and can be doubled on repeat.

BEYOND THE FINE

Fines are due within **60 days**, and an objection doesn't pause them. Unpaid fines **freeze Qiwa, Ajeer and MHRSD services**: no new visas, transfers or permits.

WHAT HAPPENS NEXT

60 days

to pay an MHRSD fine, and objecting doesn't pause the clock. After that, **Qiwa, Ajeer and MHRSD services are frozen**.

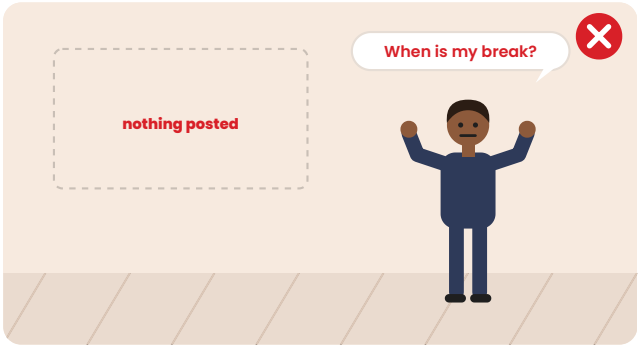
✔ RIGHT WAY



Hours, breaks and rest day posted on the workshop wall.

✖ WRONG WAY

UP TO SAR 100K



Nothing posted. Workers don't know their hours or breaks.

PURPOSE

Posted hours are the first thing an inspector looks for. Without them, overtime and rest-day disputes are impossible to defend.

FIX IT WITHIN

72 hours

AUDIT CRITERIA · PASS WHEN

- Hours, breaks, rest day and shifts posted at each site
- Required records kept at the workplace
- Posted times match actual rosters

IDEAL WAY OF AUDITING

1. Photograph the posted schedule
2. Compare with this week's roster
3. Ask for the records list

Evidence: Photo of schedule + roster.

WORST CASE No specific row applies, so the **general Labour Law penalty of up to SAR 100,000** can be used, doubled on repeat.

LAB-B-005 LABOUR · EMPLOYMENT CONTRACTS & RECORDS · 05 OF 54

Arabic Used in Employment Documents

Area **HR** | Person in charge **HR Manager · Legal & Compliance Officer** | Regulator **MHRSD**

MAXIMUM PENALTY

SAR 1,000

per violation · 50+ workers · SAR 500 (21–49) · SAR 300 (≤20)

Unpaid in 60 days: **Qiwa & Ajeer services frozen**

• MODERATE

THE LAW
LABOUR

Saudi Labour Law (Royal Decree M/51 of 1426H, as amended) · MHRSD Schedule of Violations & Penalties, **Decision 112377 (Feb 2026)** · Section (A) **Row 25**: Arabic not used in contracts, records, files and instructions [Not serious]

WHAT WE CHECK

Contracts, records, files and instructions to workers are in Arabic. Where another language is also used, the Arabic text is the official one.

CHECKPOINTS IN THE AUDIT

Q1 Is Arabic used for data, records, files, employment contracts and other documents required by the Labour Law, and for the employer's instructions to workers, with Arabic as the sole authoritative text where a foreign language is also used?

WHAT NON-COMPLIANCE COSTS YOU

THE FINE

SAR 1,000 (50+ workers), SAR 500 (21–49) or SAR 300 (≤20) per violation. Classified **Not serious** (Row 25).

BEYOND THE FINE

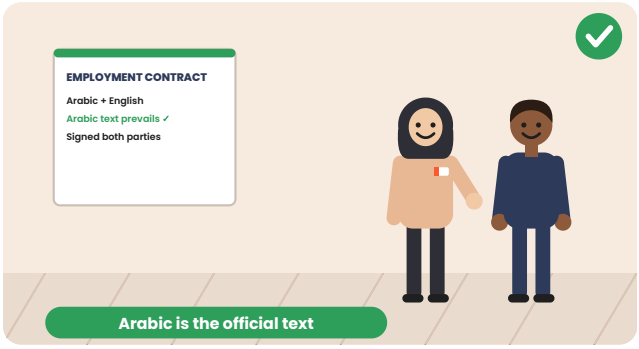
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REAL ENFORCEMENT

2 in 3

MHRSD inspection visits found a violation in Q1 2026: **168,000 violations from 250,000 visits**.

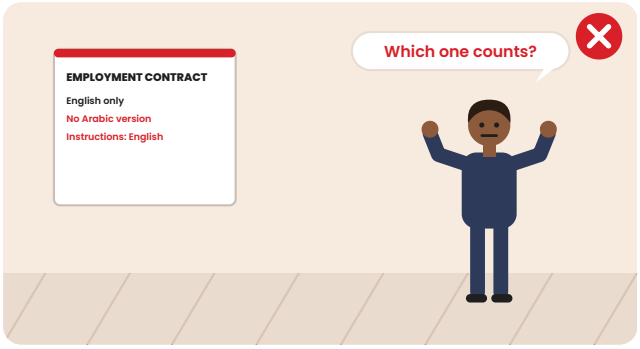
✔ RIGHT WAY



Bilingual contract with Arabic stated as the official text.

✖ WRONG WAY

SAR 1K



English-only contract and instructions. No Arabic version.

PURPOSE

In a dispute, the Arabic text decides. Without one, the employer is arguing from a document the law doesn't recognise.

FIX IT WITHIN

◷ 30 days

AUDIT CRITERIA · PASS WHEN

- Contracts and records available in Arabic
- Arabic stated as the prevailing text
- Workplace instructions in Arabic

IDEAL WAY OF AUDITING

1. Sample 5 contracts
2. Check the prevailing-language clause
3. Check posted instructions

Evidence: Contract samples + photos of notices.

WORST CASE It's **SAR 1,000** per finding, and every English-only contract weakens the employer's position in a labour court.

LAB-B-006 LABOUR · EMPLOYMENT CONTRACTS & RECORDS · 06 OF 54

Work Organization Regulations Prepared & Announced

Area **HR** | Person in charge **HR Manager · Legal & Compliance Officer** | Regulator **MHRSD**

MAXIMUM PENALTY

SAR 1,000

per violation · 50+ workers · SAR 500 (21–49) · SAR 300 (≤20)

Unpaid in 60 days: **Qiwa & Ajeer services frozen**

• MODERATE

THE LAW

LABOUR

Saudi Labour Law (Royal Decree M/51 of 1426H, as amended) · MHRSD Schedule of Violations & Penalties, **Decision 112377 (Feb 2026)** · Section (A) **Row 27**: Employer's failure to have the work organization regulations approved by the Ministry, or to announce them to workers by means that ensure their aware… [Not serious]

WHAT WE CHECK

Work Organization Regulations follow the Ministry template, are approved, and have been announced to workers so they know the rules.

CHECKPOINTS IN THE AUDIT

Q1 Has the employer prepared Work Organization Regulations per the Ministry template (unless exempted), with additional terms not conflicting with the Labour Law, and announced them to workers?

WHAT NON-COMPLIANCE COSTS YOU

THE FINE

SAR 1,000 (50+ workers), SAR 500 (21–49) or SAR 300 (≤20) per violation. Classified **Not serious** (Row 27).

BEYOND THE FINE

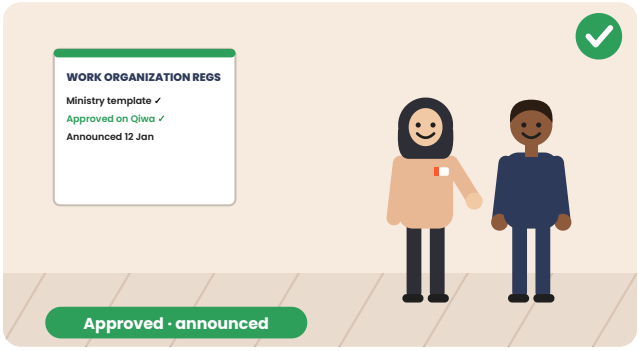
Fines are due within **60 days**, and an objection doesn't pause them. Unpaid fines **freeze Qiwa, Ajeer and MHRSD services**: no new visas, transfers or permits.

REAL ENFORCEMENT

168,000

labour violations found in **250,000 MHRSD inspection visits** in Q1 2026 alone: two for every three visits.

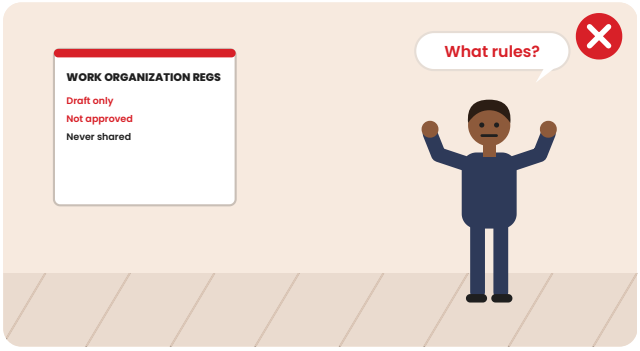
✔ RIGHT WAY



Approved regulations announced to all staff.

✖ WRONG WAY

SAR 1K



Regulations exist only as a draft. Staff have never seen them.

PURPOSE

Discipline, fines and working rules only hold if the regulations are approved and announced. Otherwise every sanction can be challenged.

FIX IT WITHIN

◷ 30 days

AUDIT CRITERIA · PASS WHEN

- Regulations on the Ministry template
- Approved on the Ministry platform
- Announced to workers (acknowledged)

IDEAL WAY OF AUDITING

1. Ask for the approval record
2. Check any added terms
3. Ask 2 workers where to find them

Evidence: Approval screenshot + announcement record.

WORST CASE It's **SAR 1,000**, and every disciplinary action taken under unapproved rules can be overturned.

LAB-B-007 LABOUR · EMPLOYMENT CONTRACTS & RECORDS · 07 OF 54

Service Certificate Issued on Termination

Area **HR · Exits** | Person in charge **HR Manager** | Regulator **MHRSD**

MAXIMUM PENALTY

SAR 3,000

per worker · 50+ workers · SAR 2,000 (21–49) · SAR 1,000 (≤20)

× 20 workers: **SAR 60,000**

• MODERATE

THE LAW

LABOUR

Saudi Labour Law (Royal Decree M/51 of 1426H, as amended) · MHRSD Schedule of Violations & Penalties, **Decision 112377 (Feb 2026)** · Section (A) **Row 37**: Employer's failure, upon the end of the employment relationship, to give the worker a service certificate and return all certificates and documents th… [Not serious]

WHAT WE CHECK

When a contract ends, the worker gets a free service certificate on request, stating joining and leaving dates, job and last wage, with nothing that harms their reputation.

CHECKPOINTS IN THE AUDIT

Q1 Upon termination, does the employer, at the worker's request, provide a free service certificate stating the dates of joining and leaving, occupation and last wage, without anything that may harm the worker's reputation?

WHAT NON-COMPLIANCE COSTS YOU

THE FINE

SAR 3,000 (50+ workers), SAR 2,000 (21–49) or SAR 1,000 (≤20) per worker. Classified **Not serious** (Row 37).

BEYOND THE FINE

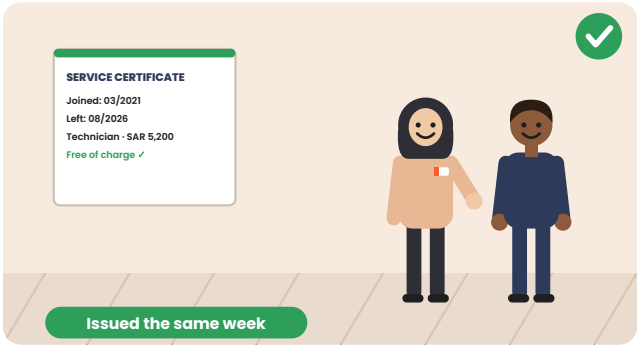
Fines are due within **60 days**, and an objection doesn't pause them. Unpaid fines **freeze Qiwa, Ajeer and MHRSD services**: no new visas, transfers or permits.

WHAT HAPPENS NEXT

60 days

to pay an MHRSD fine, and objecting doesn't pause the clock. After that, **Qiwa, Ajeer and MHRSD services are frozen**.

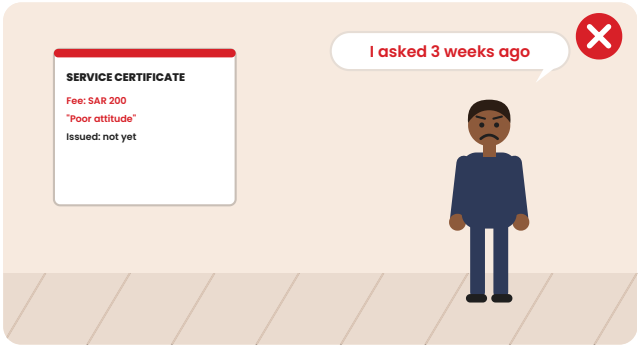
✔ RIGHT WAY



Free certificate with the right facts, issued promptly.

✖ WRONG WAY

SAR 3K / WORKER



Charged for, delayed, and with a harmful remark added.

PURPOSE

The certificate is the worker's route to their next job. Refusing it, or damaging it, is a direct complaint to the Ministry.

FIX IT WITHIN

◷ 7 days

AUDIT CRITERIA · PASS WHEN

- Certificate issued free on request
- States dates, job and last wage
- No remarks that harm the worker

IDEAL WAY OF AUDITING

1. Pull the last 5 leavers' files
2. Check certificate content and date
3. Confirm no fee was charged

Evidence: Certificate copies + request dates.

WORST CASE It's **SAR 3,000 per worker**. Ten leavers a year without proper certificates is **SAR 30,000**.

LAB-B-008 LABOUR · EMPLOYMENT CONTRACTS & RECORDS · 08 OF 54

Worker Documents Returned on Termination

Area **HR · Exits** | Person in charge **HR Manager** | Regulator **MHRSD**

MAXIMUM PENALTY

SAR 3,000

per worker · 50+ workers · SAR 2,000 (21–49) · SAR 1,000 (≤20)

× 20 workers: **SAR 60,000**

• MODERATE

THE LAW

LABOUR

Saudi Labour Law (Royal Decree M/51 of 1426H, as amended) · MHRSD Schedule of Violations & Penalties, **Decision 112377 (Feb 2026)** · Section (A) **Row 37**: Employer's failure, upon the end of the employment relationship, to give the worker a service certificate and return all certificates and documents th… [Not serious]

WHAT WE CHECK

When employment ends, every certificate or document the worker left with the employer is given back.

CHECKPOINTS IN THE AUDIT

Q1 Upon termination of the employment contract, does the employer return to the worker all certificates or documents the worker has deposited with the employer?

WHAT NON-COMPLIANCE COSTS YOU

THE FINE

SAR 3,000 (50+ workers), SAR 2,000 (21–49) or SAR 1,000 (≤20) per worker. Classified **Not serious** (Row 37).

BEYOND THE FINE

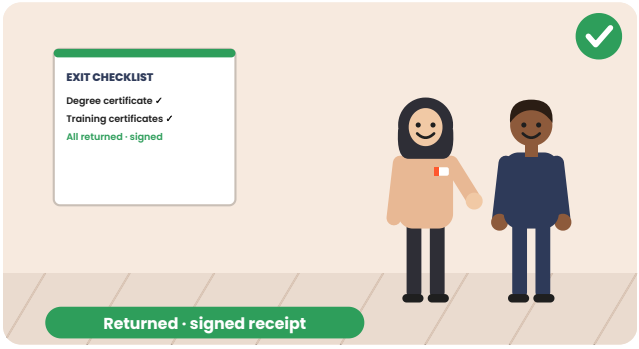
Fines are due within **60 days**, and an objection doesn't pause them. Unpaid fines **freeze Qiwa, Ajeer and MHRSD services**: no new visas, transfers or permits.

REAL ENFORCEMENT

2 in 3

MHRSD inspection visits found a violation in Q1 2026: **168,000 violations from 250,000 visits**.

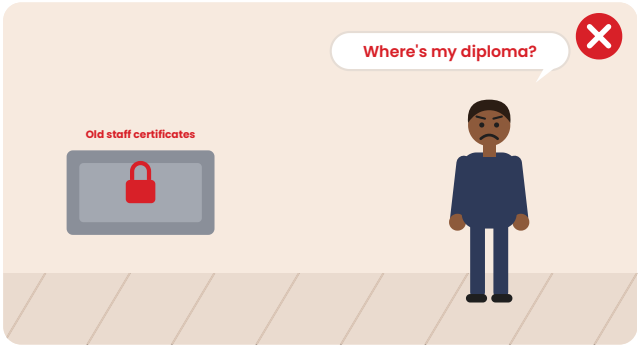
✔ RIGHT WAY



Every document returned, with a signed receipt.

✖ WRONG WAY

SAR 3K / WORKER



Former staff's certificates still sitting in a locked drawer.

PURPOSE

Holding a worker's documents after they leave stops them working elsewhere. It's fined per worker.

FIX IT WITHIN

24 hours

AUDIT CRITERIA · PASS WHEN

- Documents register kept for every worker
- All documents returned on exit
- Signed return receipt on file

IDEAL WAY OF AUDITING

1. Check the documents register
2. Open the HR drawer for old files
3. Match exits to return receipts

Evidence: Documents register + return receipts.

WORST CASE It's **SAR 3,000 per worker**. A drawer with 15 old diplomas is **SAR 45,000**.

LAB-B-009 LABOUR · DISCIPLINE & CONDUCT · 09 OF 54

General Employer Duties Toward Workers

Area **Management · All sites** | Person in charge **HR Manager · Legal & Compliance Officer** | Regulator **MHRSD**

MAXIMUM PENALTY

SAR 3,000

per worker · 50+ workers · SAR 2,000 (21–49) · SAR 1,000 (≤20)

× 20 workers: **SAR 60,000**

• MODERATE

THE LAW
LABOUR

Saudi Labour Law (Royal Decree M/51 of 1426H, as amended) · MHRSD Schedule of Violations & Penalties, **Decision 112377 (Feb 2026)** · Section (A) **Row 35**: Employer subjecting the worker to forced labour (sukhra) [Serious]

WHAT WE CHECK

No forced labour, no withholding wages without a court basis, respectful treatment, and no conduct that harms workers' dignity or religion.

CHECKPOINTS IN THE AUDIT

Q1 Does the employer refrain from forced labour and from withholding all or part of a worker's wage without a judicial basis, treat workers with due respect, and refrain from any word or act that offends their dignity or religion?

WHAT NON-COMPLIANCE COSTS YOU

THE FINE

SAR 3,000 (50+ workers), SAR 2,000 (21–49) or SAR 1,000 (≤20) per worker. Classified **Serious** (Row 35).

BEYOND THE FINE

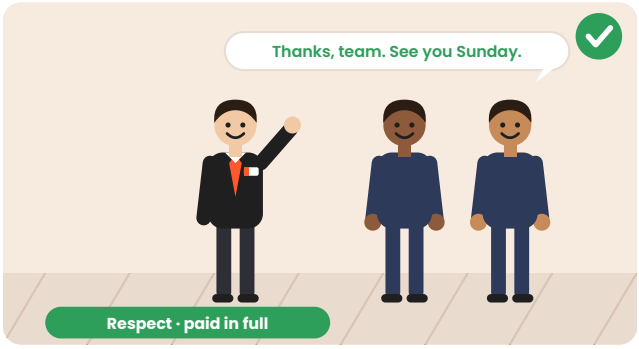
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REAL ENFORCEMENT

168,000

labour violations found in **250,000 MHRSD inspection visits** in Q1 2026 alone: two for every three visits.

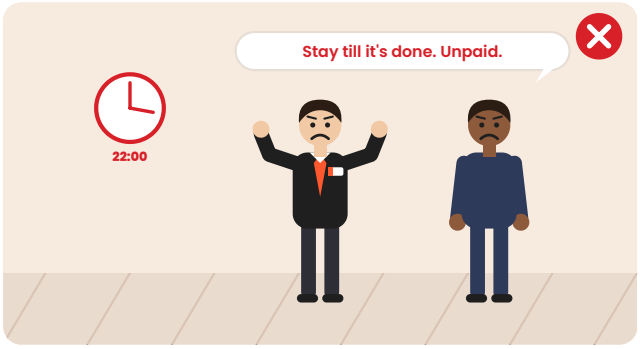
✔ RIGHT WAY



Manager thanks the team and sends them home on time.

✖ WRONG WAY

SAR 3K / WORKER



Workers forced to stay unpaid until 10 pm.

PURPOSE

Forced labour and disrespect are serious violations, fined per worker affected.

FIX IT WITHIN

Immediate

AUDIT CRITERIA · PASS WHEN

- No forced or unpaid work
- No wage withheld without a court basis
- Respectful conduct policy known to managers

IDEAL WAY OF AUDITING

1. Interview 3 workers privately
2. Check deductions against court orders
3. Review complaints log

Evidence: Interview notes + payroll deductions.

WORST CASE Forced labour is **SAR 3,000 per worker**. A whole shift of 20 is **SAR 60,000**, plus the reputational damage.

LAB-B-010 LABOUR · DISCIPLINE & CONDUCT · 10 OF 54

Fines Register Maintained

Area **HR** | Person in charge **HR Manager** | Regulator **MHRSD**

MAXIMUM PENALTY

SAR 3,000

per violation · 50+ workers · SAR 2,000 (21–49) · SAR 1,000 (≤20)

Unpaid in 60 days: **Qiwa & Ajeer services frozen**

• MODERATE

THE LAW
LABOUR

Saudi Labour Law (Royal Decree M/51 of 1426H, as amended) · MHRSD Schedule of Violations & Penalties, **Decision 112377 (Feb 2026)** · Section (A) **Row 38**: Employer disposing of disciplinary fines imposed on workers without approval of the Ministry-accredited workers' committee, or of the Ministry where n… [Not serious]

WHAT WE CHECK

Any fine on a worker is recorded in a register (name, wage, amount, reason, date), and fines are used only for workers' benefit, as approved by the workers' committee or the Ministry.

CHECKPOINTS IN THE AUDIT

Q1 Are fines on workers recorded in a special register (name, wage, amount, reason, date), and disposed of only for the benefit of workers with approval of the workers' committee or, where none exists, the Ministry?

WHAT NON-COMPLIANCE COSTS YOU

THE FINE

SAR 3,000 (50+ workers), SAR 2,000 (21–49) or SAR 1,000 (≤20) per violation. Classified **Not serious** (Row 38).

BEYOND THE FINE

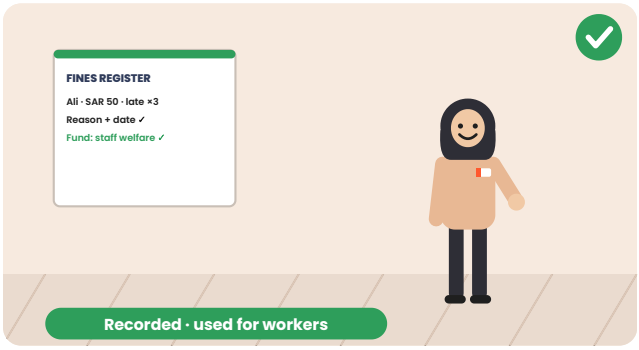
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WHAT HAPPENS NEXT

60 days

to pay an MHRSD fine, and objecting doesn't pause the clock. After that, **Qiwa, Ajeer and MHRSD services are frozen**.

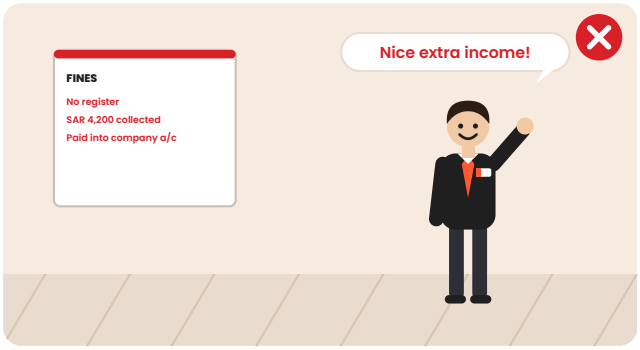
✔ RIGHT WAY



Every fine logged and the fund used for staff welfare.

✖ WRONG WAY

SAR 3K



No register, and fines paid into the company's own account.

PURPOSE

Worker fines are not company revenue. Using them any other way is a violation the Ministry can see in the accounts.

FIX IT WITHIN

◷ 7 days

AUDIT CRITERIA · PASS WHEN

- Register with name, wage, amount, reason, date
- Fund used only for workers' benefit
- Committee or Ministry approval on file

IDEAL WAY OF AUDITING

1. Ask for the fines register
2. Trace where the fund went
3. Check approvals

Evidence: Register + fund statement + approvals.

WORST CASE Misusing worker fines is **SAR 3,000**, and it turns a discipline tool into evidence against management.

LAB-B-011 LABOUR · SAUDIZATION & WORK PERMITS · 11 OF 54

No Trading in Work Visas

Area **Management · HR** | Person in charge **HR Manager · Legal & Compliance Officer** | Regulator **MHRSD**

MAXIMUM PENALTY

SAR 20,000

per case or worker · 50+ workers · SAR 15,000 (21–49) · SAR 10,000 (≤20)

× 20 workers: **SAR 400,000**

• HIGH

THE LAW
LABOUR

Saudi Labour Law (Royal Decree M/51 of 1426H, as amended) · MHRSD Schedule of Violations & Penalties, **Decision 112377 (Feb 2026)** · Section (A) **Row 55**: Employer using visas issued by the Ministry for a purpose other than that for which they were issued [Serious]

WHAT WE CHECK

The employer never sells work visas or acts as a middleman for their sale. Visas are used only for the purpose they were issued for.

CHECKPOINTS IN THE AUDIT

Q1 Does the employer refrain from selling work visas or acting as an intermediary in their sale?

WHAT NON-COMPLIANCE COSTS YOU

THE FINE

SAR 20,000 (50+ workers), SAR 15,000 (21–49) or SAR 10,000 (≤20) per case or worker. Classified **Serious** (Row 55).

BEYOND THE FINE

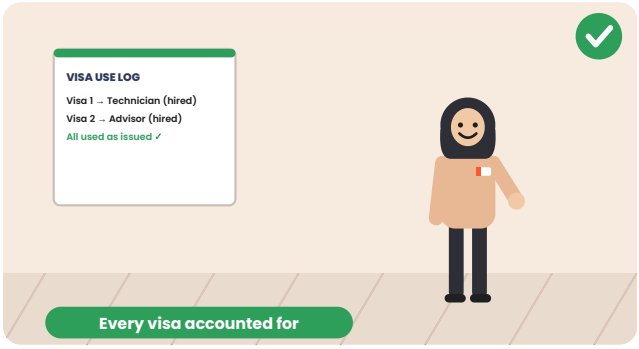
Fines are due within **60 days**, and an objection doesn't pause them. Unpaid fines **freeze Qiwa, Ajeer and MHRSD services**: no new visas, transfers or permits. Serious violations can also bring **service suspensions or bans**.

REAL ENFORCEMENT

7,200+

work visas cancelled for non-compliant establishments by MHRSD in Q1 2026.

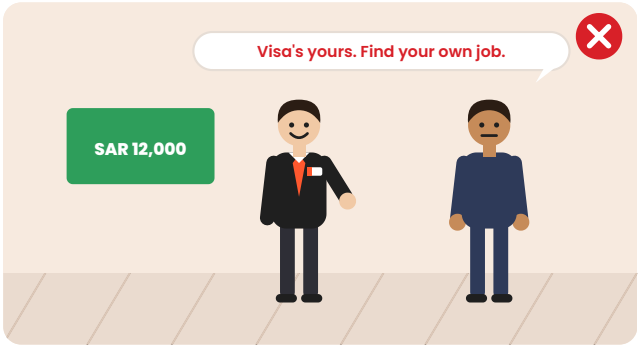
✔ RIGHT WAY



Every visa matched to a real hire.

✖ WRONG WAY

SAR 20K / WORKER



A visa sold for cash. The worker is told to find his own job.

PURPOSE

Visa trading is one of the heaviest labour violations: fined per case and usually followed by visa cancellations.

FIX IT WITHIN

Immediate

AUDIT CRITERIA · PASS WHEN

- Every visa matched to a real hire
- No payments received for visas
- No workers working elsewhere on your visa

IDEAL WAY OF AUDITING

1. Match issued visas to hires
2. Check worker locations
3. Interview recent arrivals

Evidence: Visa log + hire records.

WORST CASE It's **SAR 20,000 per case or worker**. Five traded visas is **SAR 100,000**, and visas get cancelled.

LAB-B-012 LABOUR · OCCUPATIONAL HEALTH & SAFETY · 12 OF 54

Worker Protection from Hazards at No Cost

Area **Workshop · HSE** | Person in charge **HSE Officer · Branch / Site Manager** | Regulator **MHRSD**

MAXIMUM PENALTY

SAR 5,000

per violation · 50+ workers · SAR 2,500 (21–49) · SAR 1,500 (≤20)

Unpaid in 60 days: **Qiwa & Ajeer services frozen**

• MODERATE

THE LAW
LABOUR

Saudi Labour Law (Royal Decree M/51 of 1426H, as amended) · MHRSD Schedule of Violations & Penalties, **Decision 112377 (Feb 2026)** · Section (A) **Row 1**: Non-compliance with Ministry-approved occupational safety & health protection rules / failure to take precautions to protect workers [Serious]

WHAT WE CHECK

The employer takes the precautions needed to protect workers from hazards, occupational disease and machinery, and never charges workers or deducts wages for that protection.

CHECKPOINTS IN THE AUDIT

Q1 Does the employer take the necessary precautions to protect workers against hazards, occupational diseases and machinery, without charging workers or deducting from their wages for this protection?

WHAT NON-COMPLIANCE COSTS YOU

THE FINE

SAR 5,000 (50+ workers), SAR 2,500 (21–49) or SAR 1,500 (≤20) per violation. Classified **Serious** (Row 1).

BEYOND THE FINE

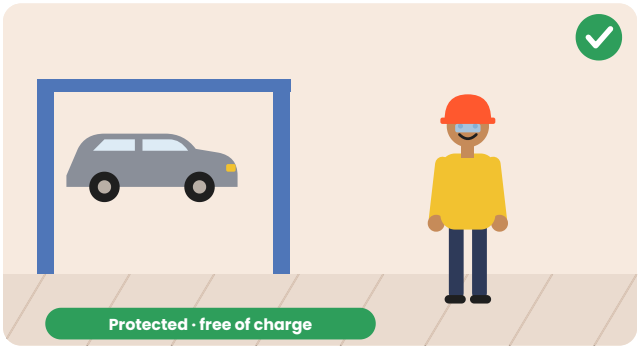
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REAL ENFORCEMENT

168,000

labour violations found in **250,000 MHRSD inspection visits** in Q1 2026 alone: two for every three visits.

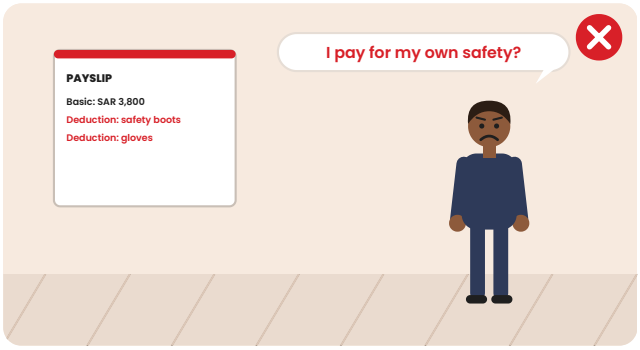
✔ RIGHT WAY



Technician fully protected at the company's cost.

✖ WRONG WAY

SAR 5K



Safety boots and gloves deducted from the payslip.

PURPOSE

Safety is the employer's cost, always. Charging for PPE is a violation in itself, and it discourages workers from using it.

FIX IT WITHIN

◷ 24 hours

AUDIT CRITERIA · PASS WHEN

- Hazards controlled (guards, lifts, extraction)
- PPE provided free
- No PPE deductions on payslips

IDEAL WAY OF AUDITING

1. Walk the workshop
2. Check 5 payslips for deductions
3. Ask workers who paid for their PPE

Evidence: Photos + payslip samples.

WORST CASE It's **SAR 5,000**, the highest safety fine in the schedule, and an injury on top can reach the courts.

LAB-B-013 LABOUR · OCCUPATIONAL HEALTH & SAFETY · 13 OF 54

Hazard Briefing & PPE Provided

Area **Workshop · HSE** | Person in charge **HSE Officer · Branch / Site Manager** | Regulator **MHRSD**

MAXIMUM PENALTY

SAR 5,000

per violation · 50+ workers · SAR 2,500 (21–49) · SAR 1,500 (≤20)

Unpaid in 60 days: **Qiwa & Ajeer services frozen**

• MODERATE

THE LAW

LABOUR

Saudi Labour Law (Royal Decree M/51 of 1426H, as amended) · MHRSD Schedule of Violations & Penalties, **Decision 112377 (Feb 2026)** · Section (A) **Row 1**: Non-compliance with Ministry-approved occupational safety & health protection rules / failure to take precautions to protect workers [Serious]

WHAT WE CHECK

Before starting, every worker is told the hazards of the job, must use the required protection, gets the right PPE and is trained to use it.

CHECKPOINTS IN THE AUDIT

Q1 Before a worker begins work, does the employer inform them of the occupation's hazards, require the prescribed protective measures, provide appropriate PPE and train them in its use?

WHAT NON-COMPLIANCE COSTS YOU

THE FINE

SAR 5,000 (50+ workers), SAR 2,500 (21–49) or SAR 1,500 (≤20) per violation. Classified **Serious** (Row 1).

BEYOND THE FINE

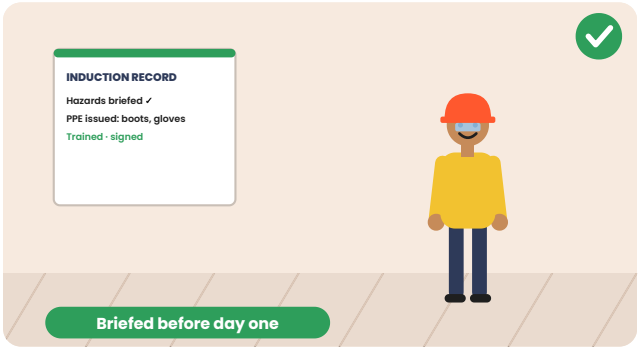
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WHAT HAPPENS NEXT

60 days

to pay an MHRSD fine, and objecting doesn't pause the clock. After that, **Qiwa, Ajeer and MHRSD services are frozen**.

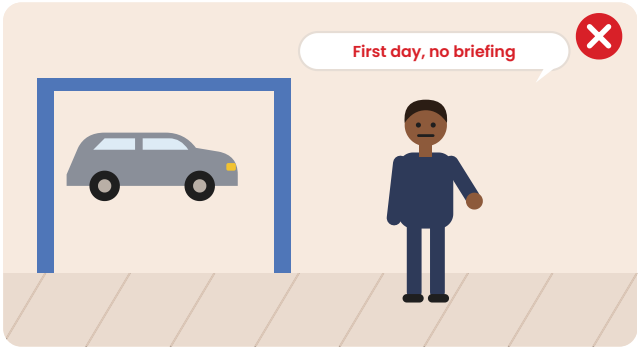
✔ RIGHT WAY



Induction signed: hazards, PPE and training on day one.

✖ WRONG WAY

SAR 5K



New worker under a lift with no briefing and no PPE.

PURPOSE

New starters are most likely to get hurt. The briefing is also your proof that the worker knew the rules.

FIX IT WITHIN

◷ 24 hours

AUDIT CRITERIA · PASS WHEN

- Hazard briefing before work starts
- PPE issued and logged
- Training signed by the worker

IDEAL WAY OF AUDITING

1. Pull 5 recent starters' files
2. Check induction and PPE records
3. Ask a new starter what they were told

Evidence: Induction forms + PPE issue log.

WORST CASE It's **SAR 5,000** per finding. If an untrained starter is injured, the missing briefing is the employer's problem.

LAB-B-014 LABOUR · OCCUPATIONAL HEALTH & SAFETY · 14 OF 54

Safety Instructions Posted in Arabic

Area **Workshop · HSE** | Person in charge **HSE Officer · Branch / Site Manager** | Regulator **MHRSD**

MAXIMUM PENALTY

SAR 1,000

per violation · 50+ workers · SAR 500 (21–49) · SAR 300 (≤20)

Unpaid in 60 days: **Qiwa & Ajeer services frozen**

• MODERATE

THE LAW
LABOUR

Saudi Labour Law (Royal Decree M/51 of 1426H, as amended) · MHRSD Schedule of Violations & Penalties, **Decision 112377 (Feb 2026)** · Section (A) **Row 2**: Safety & OSH instructions not posted in all workers' languages (minimum Arabic and English) [Not serious]

WHAT WE CHECK

Safety instructions are posted where workers can see them, in Arabic, and in other languages the workers understand.

CHECKPOINTS IN THE AUDIT

Q1 Are occupational safety instructions posted in a visible place in Arabic and, where necessary, in any other language understood by the workers?

WHAT NON-COMPLIANCE COSTS YOU

THE FINE

SAR 1,000 (50+ workers), SAR 500 (21–49) or SAR 300 (≤20) per violation. Classified **Not serious** (Row 2).

BEYOND THE FINE

Fines are due within **60 days**, and an objection doesn't pause them. Unpaid fines **freeze Qiwa, Ajeer and MHRSD services**: no new visas, transfers or permits.

REAL ENFORCEMENT

2 in 3

MHRSD inspection visits found a violation in Q1 2026: **168,000 violations from 250,000 visits**.

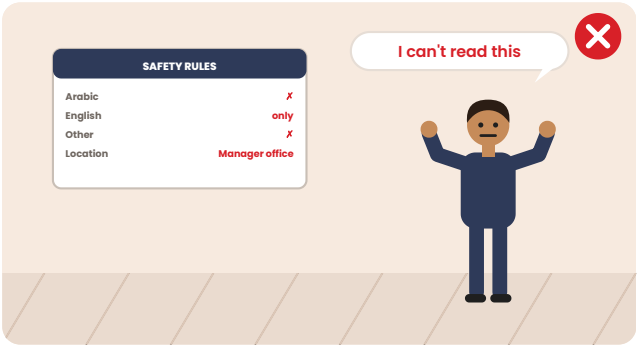
✔ RIGHT WAY



Rules posted in Arabic, English and the team's languages.

✖ WRONG WAY

SAR 1K



English only, hidden in the manager's office.

PURPOSE

A rule nobody can read doesn't protect anyone. It's also the first thing an inspector checks at the door.

FIX IT WITHIN

72 hours

AUDIT CRITERIA · PASS WHEN

- Instructions posted at workshop entry
- In Arabic plus workers' languages
- Current and legible

IDEAL WAY OF AUDITING

1. Photograph the notices
2. List the languages your workers speak
3. Compare

Evidence: Photos of notices + language list.

WORST CASE It's **SAR 1,000**, and a worker injured by a rule they couldn't read puts the employer on the back foot.

LAB-B-015 LABOUR · OCCUPATIONAL HEALTH & SAFETY · 15 OF 54

Workers Use & Maintain Protective Equipment

Area **Workshop · Paint shop** | Person in charge **HSE Officer · Branch / Site Manager** | Regulator **MHRSD**

MAXIMUM PENALTY

SAR 300

per worker · 50+ workers · SAR 300 (21–49) · SAR 300 (≤20)

× 20 workers: **SAR 6,000**

• MODERATE

THE LAW

LABOUR

Saudi Labour Law (Royal Decree M/51 of 1426H, as amended) · MHRSD Schedule of Violations & Penalties, **Decision 112377 (Feb 2026)** · Section (A) **Row 3**: Worker not following preventive (safety) instructions [Not serious]

WHAT WE CHECK

Workers use and look after the protective equipment for each task, follow safety instructions, and don't misuse or disable it.

CHECKPOINTS IN THE AUDIT

Q1 Do workers use and maintain the protective equipment designated for each operation, follow the safety instructions, and refrain from misuse or disabling of it?

WHAT NON-COMPLIANCE COSTS YOU

THE FINE

SAR 300 (50+ workers), SAR 300 (21–49) or SAR 300 (≤20) per worker. Classified **Not serious** (Row 3).

BEYOND THE FINE

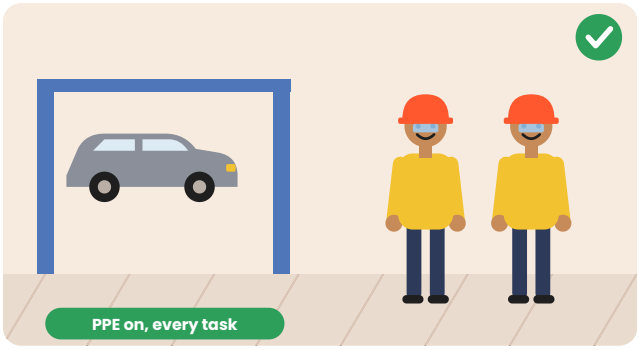
Fines are due within **60 days**, and an objection doesn't pause them. Unpaid fines **freeze Qiwa, Ajeer and MHRSD services**: no new visas, transfers or permits.

REAL ENFORCEMENT

168,000

labour violations found in **250,000 MHRSD inspection visits** in Q1 2026 alone: two for every three visits.

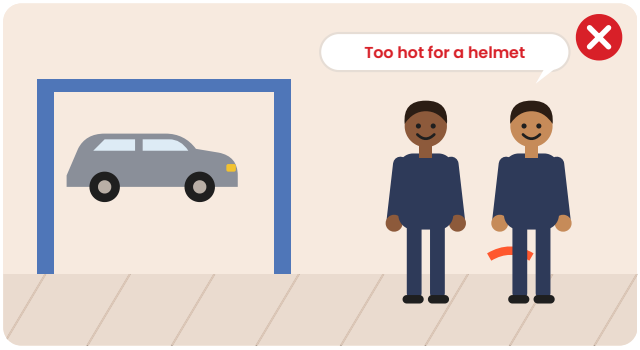
✔ RIGHT WAY



Both technicians wearing their PPE under the lift.

✖ WRONG WAY

SAR 300 / WORKER



Helmets on the floor. "Too hot for a helmet."

PURPOSE

This fine is charged per worker, so a whole team without PPE multiplies quickly. The employer is also expected to enforce the rule.

FIX IT WITHIN

◷ Immediate

AUDIT CRITERIA · PASS WHEN

- PPE worn for every task that requires it
- PPE in good condition
- Supervisors enforce and record breaches

IDEAL WAY OF AUDITING

1. Walk the workshop unannounced
2. Count workers without PPE
3. Check the breach log

Evidence: Photos + breach log.

WORST CASE It's **SAR 300 per worker**. A shift of 20 without PPE is **SAR 6,000**, every visit.

LAB-B-016 LABOUR · FIRE & EMERGENCY SAFETY · 16 OF 54

Fire Prevention & Emergency Exits

Area **Whole site** | Person in charge **HSE Officer · Facility Manager** | Regulator **MHRSD**

MAXIMUM PENALTY

SAR 1,000

per violation · 50+ workers · SAR 500 (21–49) · SAR 300 (≤20)

Unpaid in 60 days: **Qiwa & Ajeer services frozen**

• MODERATE

THE LAW

LABOUR

Saudi Labour Law (Royal Decree M/51 of 1426H, as amended) · MHRSD Schedule of Violations & Penalties, **Decision 112377 (Feb 2026)** · Section (A) **Row 4**: Fire-prevention precautions / firefighting means not provided [Not serious]

WHAT WE CHECK

Fire prevention precautions and firefighting equipment are in place, emergency exits are clear and usable at all times, and fire instructions are posted.

CHECKPOINTS IN THE AUDIT

Q1 Has the employer taken the necessary fire prevention precautions, provided firefighting equipment, kept emergency exits usable at all times, and posted fire prevention instructions in a visible place?

WHAT NON-COMPLIANCE COSTS YOU

THE FINE

SAR 1,000 (50+ workers), SAR 500 (21–49) or SAR 300 (≤20) per violation. Classified **Not serious** (Row 4).

BEYOND THE FINE

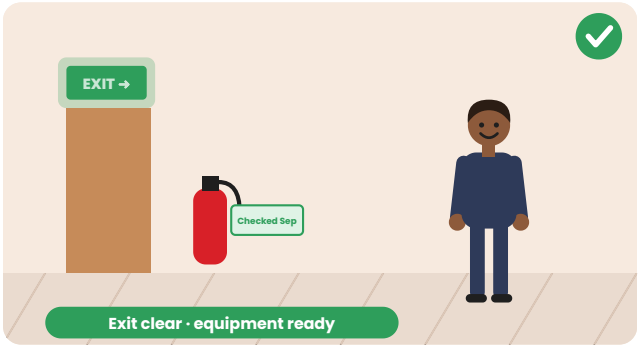
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WHAT HAPPENS NEXT

60 days

to pay an MHRSD fine, and objecting doesn't pause the clock. After that, **Qiwa, Ajeer and MHRSD services are frozen**.

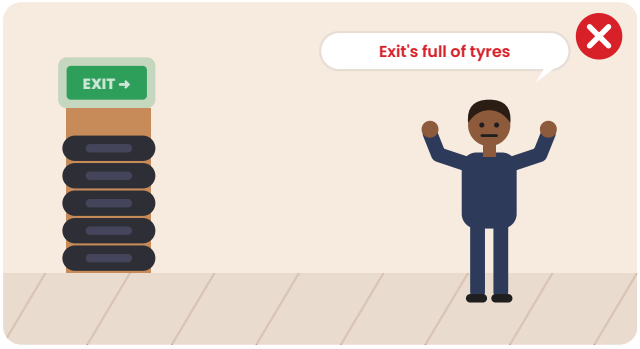
✔ RIGHT WAY



Exit clear, extinguisher checked, instructions posted.

✖ WRONG WAY

SAR 1K



Emergency exit blocked by stacked tyres.

PURPOSE

A blocked exit is a labour violation and a Civil Defense violation at once. In a fire, it's the difference between life and death.

FIX IT WITHIN

Immediate

AUDIT CRITERIA · PASS WHEN

- Every emergency exit clear and unlocked
- Firefighting equipment in place and checked
- Fire instructions posted

IDEAL WAY OF AUDITING

1. Walk every exit route
2. Check extinguisher tags
3. Photograph the posted instructions

Evidence: Photos of exits + equipment tags.

WORST CASE It's **SAR 1,000** under labour law, plus **SAR 30,000 and 6 months in prison** under the Civil Defense Law.

LAB-B-017 LABOUR · OCCUPATIONAL HEALTH & SAFETY · 17 OF 54

Midday Outdoor Work Ban Observed

Area **Yard · Car wash · Delivery**

Person in charge **HSE Officer · Branch / Site Manager**

Regulator **MHRSD**

MAXIMUM PENALTY

SAR 1,000

per worker · 50+ workers · SAR 1,000 (21–49) · SAR 1,000 (≤20)

× 20 workers: **SAR 20,000**

• MODERATE

THE LAW

LABOUR

Saudi Labour Law (Royal Decree M/51 of 1426H, as amended) · MHRSD Schedule of Violations & Penalties, **Decision 112377 (Feb 2026)** · Section (A) **Row 5**: Employing workers under direct sun or in bad weather without required precautions [Serious]

WHAT WE CHECK

From 15 June to 15 September, no one works outdoors in direct sun between 12:00 and 15:00.

Applies when: Only where workers perform open-air work

CHECKPOINTS IN THE AUDIT

Q1 Are workers not employed in open-air work under direct sunlight from 12:00 noon to 3:00 p.m. between 15 June and 15 September each year?

WHAT NON-COMPLIANCE COSTS YOU

THE FINE

SAR 1,000 (50+ workers), SAR 1,000 (21–49) or SAR 1,000 (≤20) per worker. Classified **Serious** (Row 5).

BEYOND THE FINE

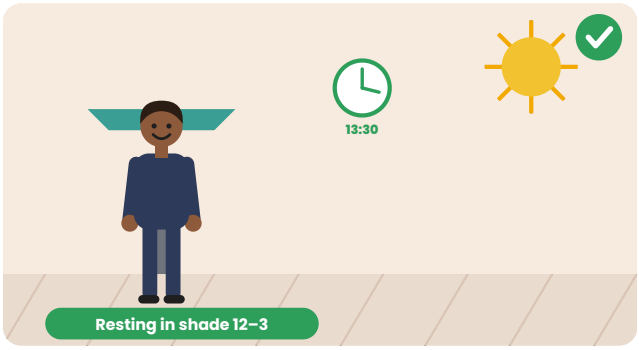
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REAL ENFORCEMENT

2 in 3

MHRSD inspection visits found a violation in Q1 2026: **168,000 violations from 250,000 visits**.

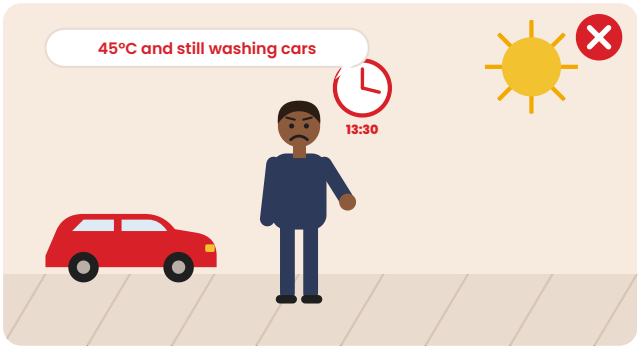
✔ RIGHT WAY



Car-wash team resting in the shade at 1:30 pm in July.

✖ WRONG WAY

SAR 1K / WORKER



Worker washing cars in full sun at 1:30 pm.

PURPOSE

The midday ban is checked hard every summer, and the fine is per worker. Heat stroke is a real risk in a yard.

FIX IT WITHIN

Immediate

AUDIT CRITERIA · PASS WHEN

- No outdoor work 12:00–15:00, 15 Jun – 15 Sep
- Shaded rest area and water provided
- Roster shows the break

IDEAL WAY OF AUDITING

1. Visit the yard at 13:00 in summer
2. Check the summer roster
3. Ask outdoor staff about breaks

Evidence: Summer roster + photos at midday.

WORST CASE It's **SAR 1,000 per worker**. A yard team of 15 caught at 1 pm is **SAR 15,000** in one visit.

LAB-B-018 LABOUR · OCCUPATIONAL HEALTH & SAFETY · 18 OF 54

Safety Devices Not Misused or Disabled

Area **Workshop** | Person in charge **HSE Officer · Branch / Site Manager** | Regulator **MHRSD**

MAXIMUM PENALTY

SAR 300

per worker · 50+ workers · SAR 300 (21–49) · SAR 300 (≤20)

× 20 workers: **SAR 6,000**

• MODERATE

THE LAW

LABOUR

Saudi Labour Law (Royal Decree M/51 of 1426H, as amended) · MHRSD Schedule of Violations & Penalties, **Decision 112377 (Feb 2026)** · Section (A) **Row 3**: Worker not following preventive (safety) instructions [Not serious]

WHAT WE CHECK

Workers don't misuse or disable guards, sensors or any device that protects the workplace and their colleagues.

CHECKPOINTS IN THE AUDIT

Q1 Do workers refrain from misusing or disabling the means provided to protect the workplace and the health and safety of co-workers?

WHAT NON-COMPLIANCE COSTS YOU

THE FINE

SAR 300 (50+ workers), SAR 300 (21–49) or SAR 300 (≤20) per worker. Classified **Not serious** (Row 3).

BEYOND THE FINE

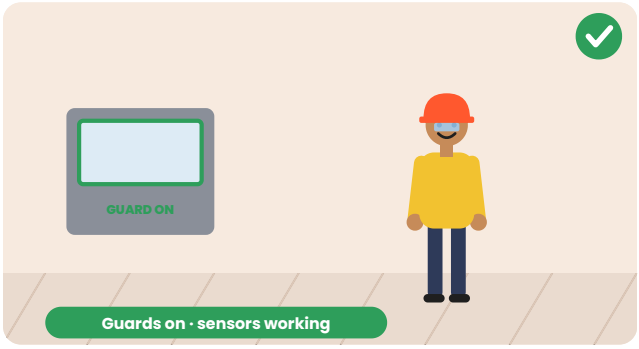
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REAL ENFORCEMENT

168,000

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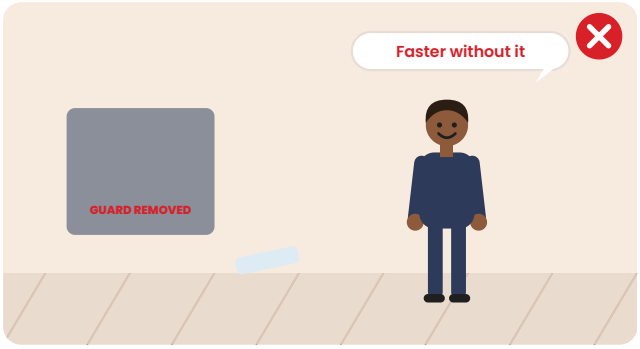
✔ RIGHT WAY



Grinder guard in place and interlock working.

✖ WRONG WAY

SAR 300 / WORKER



Guard taken off "to work faster".

PURPOSE

One disabled guard can injure someone who didn't remove it. The fine is per worker involved.

FIX IT WITHIN

Immediate

AUDIT CRITERIA · PASS WHEN

- All guards, interlocks and sensors in place
- Disabling devices treated as a disciplinary matter
- Daily pre-use checks

IDEAL WAY OF AUDITING

1. Inspect machines and tools
2. Check interlocks
3. Review pre-use check sheets

Evidence: Photos + pre-use checks.

WORST CASE It's **SAR 300 per worker**, but the injury it causes is what brings the real cost.

LAB-B-019 LABOUR · WORK ENVIRONMENT & WELFARE · 19 OF 54

Clean Premises, Lighting & Potable Water

Area **Whole site** | Person in charge **Facility Manager · Branch / Site Manager** | Regulator **MHRSD**

MAXIMUM PENALTY

SAR 5,000

per violation · 50+ workers · SAR 2,500 (21–49) · SAR 1,500 (≤20)

Unpaid in 60 days: **Qiwa & Ajeer services frozen**

• MODERATE

THE LAW
LABOUR

Saudi Labour Law (Royal Decree M/51 of 1426H, as amended) · MHRSD Schedule of Violations & Penalties, **Decision 112377 (Feb 2026)** · Section (A) **Row 1**: Non-compliance with Ministry-approved occupational safety & health protection rules / failure to take precautions to protect workers [Serious]

WHAT WE CHECK

The workplace is kept clean and healthy, properly lit, with water fit for drinking and washing.

CHECKPOINTS IN THE AUDIT

Q1 Does the employer keep the establishment in a healthy and clean condition, provide lighting, and secure water fit for drinking and washing?

WHAT NON-COMPLIANCE COSTS YOU

THE FINE

SAR 5,000 (50+ workers), SAR 2,500 (21–49) or SAR 1,500 (≤20) per violation. Classified **Serious** (Row 1).

BEYOND THE FINE

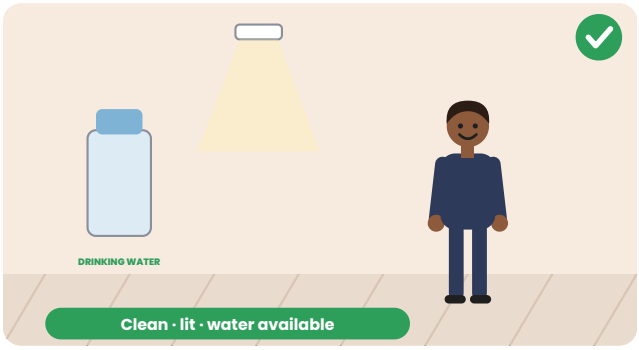
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WHAT HAPPENS NEXT

60 days

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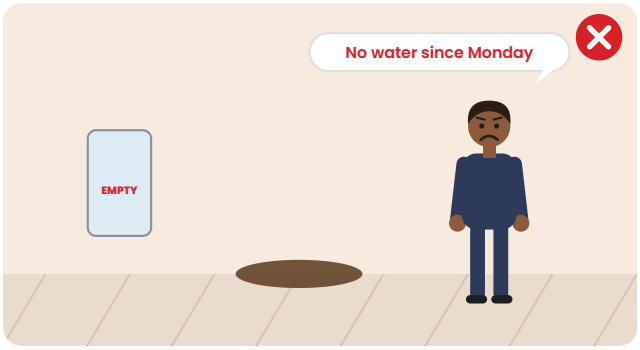
✔ RIGHT WAY



Clean workshop, good light and a filled water cooler.

✖ WRONG WAY

SAR 5K



Water cooler empty since Monday and dirt on the floor.

PURPOSE

Basic welfare failures are easy to spot and easy to fine: clean, lit, water. That's the minimum.

FIX IT WITHIN

◷ 24 hours

AUDIT CRITERIA · PASS WHEN

- Clean and healthy premises
- Adequate lighting in all work areas
- Drinking and washing water available

IDEAL WAY OF AUDITING

1. Walk the site incl. washrooms
2. Check lighting in bays
3. Check water points

Evidence: Photos of areas and water points.

WORST CASE It's **SAR 5,000**, the top of the safety scale, for something a cleaning rota would have prevented.

LAB-B-020 LABOUR · OCCUPATIONAL HEALTH & SAFETY · 20 OF 54

Annual Medical Exams for Exposed Workers

Area **Paint shop · Workshop** | Person in charge **HSE Officer · HR Manager** | Regulator **MHRSD**

MAXIMUM PENALTY

SAR 5,000

per violation · 50+ workers · SAR 2,500 (21–49) · SAR 1,500 (≤20)

Unpaid in 60 days: **Qiwa & Ajeer services frozen**

• MODERATE

THE LAW
LABOUR

Saudi Labour Law (Royal Decree M/51 of 1426H, as amended) · MHRSD Schedule of Violations & Penalties, **Decision 112377 (Feb 2026)** · Section (A) **Row 1**: Non-compliance with Ministry-approved occupational safety & health protection rules / failure to take precautions to protect workers [Serious]

WHAT WE CHECK

Workers exposed to occupational disease risks (paint, solvents, dust, noise) get a full medical examination at least once a year, with results recorded.

Applies when: Only where workers are exposed to occupational disease risks

CHECKPOINTS IN THE AUDIT

Q1 Has the employer assigned physicians to examine workers exposed to occupational disease risks (per the GOSI occupational disease tables) at least once a year, and recorded the results?

WHAT NON-COMPLIANCE COSTS YOU

THE FINE

SAR 5,000 (50+ workers), SAR 2,500 (21–49) or SAR 1,500 (≤20) per violation. Classified **Serious** (Row 1).

BEYOND THE FINE

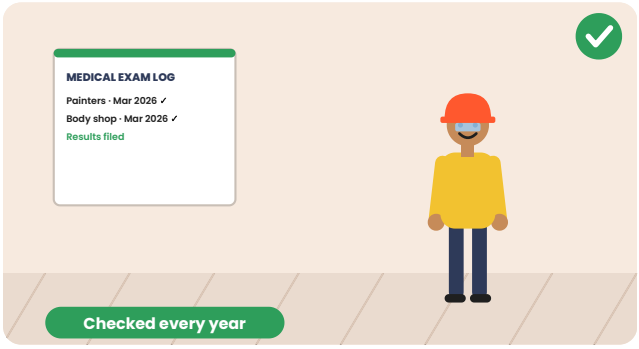
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REAL ENFORCEMENT

2 in 3

MHRSD inspection visits found a violation in Q1 2026: **168,000 violations from 250,000 visits**.

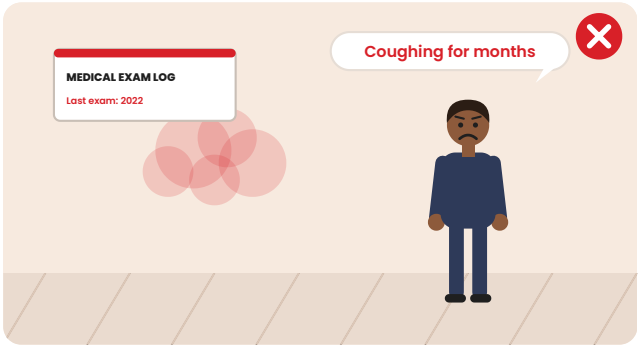
✔ RIGHT WAY



Painters examined in March and results filed.

✖ WRONG WAY

SAR 5K



Paint-shop workers last examined in 2022.

PURPOSE

Solvent and dust exposure causes disease slowly. Without annual checks, the employer can't show it looked after exposed workers.

FIX IT WITHIN

◷ 30 days

AUDIT CRITERIA · PASS WHEN

- Exposed roles identified
- Annual medical for each exposed worker
- Results recorded and followed up

IDEAL WAY OF AUDITING

1. List exposed roles (paint, body shop)
2. Check exam dates
3. Check follow-up actions

Evidence: Exposure list + exam records.

WORST CASE It's **SAR 5,000**, and an occupational-disease claim without exam records is hard to defend.

LAB-B-021 LABOUR · WORK ENVIRONMENT & WELFARE · 21 OF 54

Preventive & Curative Health Care Provided

Area **HR** | Person in charge **HR Manager** | Regulator **MHRSD**

MAXIMUM PENALTY

SAR 1,000

per worker · 50+ workers · SAR 500 (21–49) · SAR 300 (≤20)

× 20 workers: **SAR 20,000**

• MODERATE

THE LAW

LABOUR

Saudi Labour Law (Royal Decree M/51 of 1426H, as amended) · MHRSD Schedule of Violations & Penalties, **Decision 112377 (Feb 2026)** · Section (A) **Row 8**: Medical insurance not provided to worker and family (Cooperative Health Insurance) [Not serious]

WHAT WE CHECK

Workers have preventive and curative health care to the Ministry's standards, taking account of Cooperative Health Insurance cover.

CHECKPOINTS IN THE AUDIT

Q1 Does the employer provide its workers with preventive and curative health care per the Minister's standards, taking into account Cooperative Health Insurance cover?

WHAT NON-COMPLIANCE COSTS YOU

THE FINE

SAR 1,000 (50+ workers), SAR 500 (21–49) or SAR 300 (≤20) per worker. Classified **Not serious** (Row 8).

BEYOND THE FINE

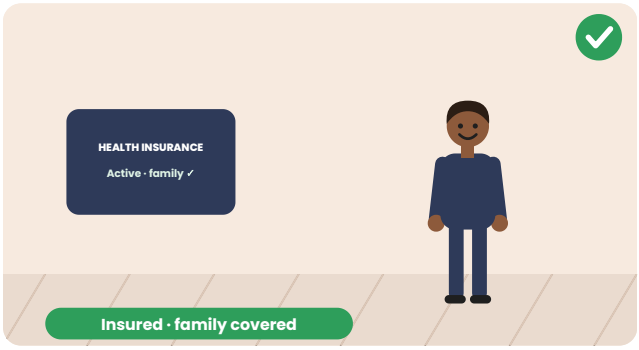
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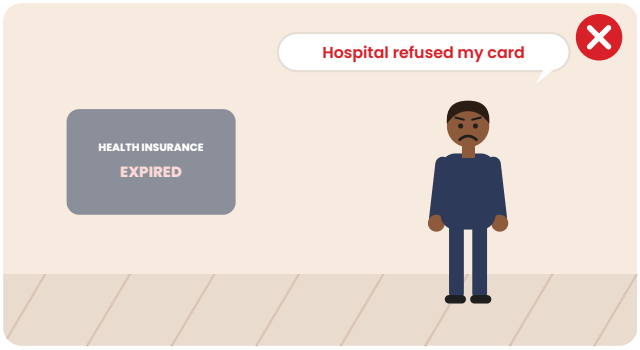
✔ RIGHT WAY



Active insurance cards for workers and families.

✖ WRONG WAY

SAR 1K / WORKER



Insurance lapsed. A worker was refused at the hospital.

PURPOSE

Health cover is fined per worker without it. A lapsed policy can put the whole workforce out of cover overnight.

FIX IT WITHIN

◷ 24 hours

AUDIT CRITERIA · PASS WHEN

- Every worker insured
- Dependants covered where required
- Policy renewed before expiry

IDEAL WAY OF AUDITING

1. Match the policy list to payroll
2. Check the renewal date
3. Spot-check 3 cards

Evidence: Policy schedule + payroll match.

WORST CASE It's **SAR 1,000 per worker**. A lapsed policy for 60 staff is **SAR 60,000**.

LAB-B-022 LABOUR · OCCUPATIONAL HEALTH & SAFETY · 22 OF 54

First-Aid Cabinets Equipped

Area **Workshop · Showroom** | Person in charge **HSE Officer · Facility Manager** | Regulator **MHRSD**

MAXIMUM PENALTY

SAR 1,000

per violation · 50+ workers · SAR 500 (21–49) · SAR 300 (≤20)

Unpaid in 60 days: **Qiwa & Ajeer services frozen**

• MODERATE

THE LAW
LABOUR

Saudi Labour Law (Royal Decree M/51 of 1426H, as amended) · MHRSD Schedule of Violations & Penalties, **Decision 112377 (Feb 2026)** · Section (A) **Row 6**: No first-aid cabinet with valid medicines per the Implementing Regulations list [Not serious]

WHAT WE CHECK

One or more first-aid cabinets hold in-date medicines and supplies as listed in the Implementing Regulations, with a trained first-aider.

CHECKPOINTS IN THE AUDIT

Q1 Does the employer provide first-aid cabinets equipped with the medicines and supplies required by the Implementing Regulations, with the required storage and first-aider arrangements?

WHAT NON-COMPLIANCE COSTS YOU

THE FINE

SAR 1,000 (50+ workers), SAR 500 (21–49) or SAR 300 (≤20) per violation. Classified **Not serious** (Row 6).

BEYOND THE FINE

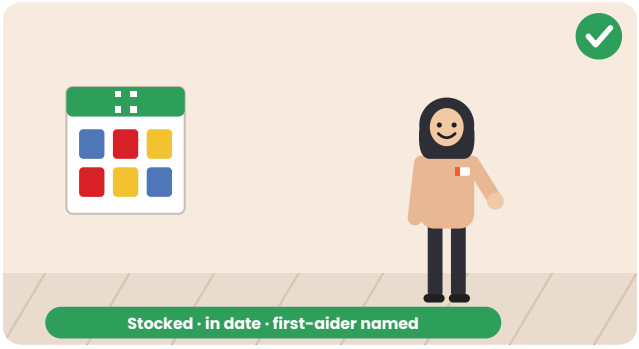
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WHAT HAPPENS NEXT

60 days

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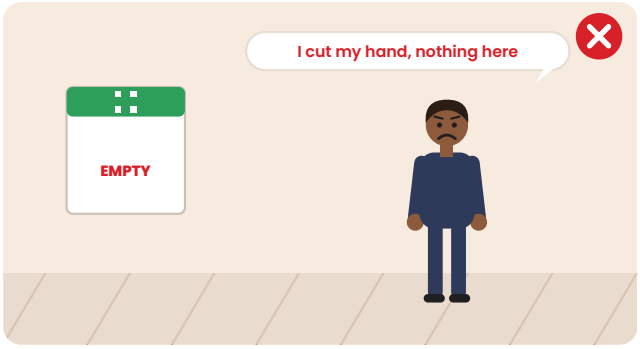
✔ RIGHT WAY



Cabinet fully stocked and checked monthly.

✖ WRONG WAY

SAR 1K



Cabinet empty when a technician cuts his hand.

PURPOSE

An empty first-aid cabinet is visible in seconds. It's also the first thing an injured worker notices.

FIX IT WITHIN

◷ 24 hours

AUDIT CRITERIA · PASS WHEN

- Cabinet in every required area
- Contents match the list and are in date
- Trained first-aider named

IDEAL WAY OF AUDITING

1. Open each cabinet
2. Check expiry dates
3. Check the first-aider list

Evidence: Photos + monthly check log.

WORST CASE It's **SAR 1,000** per finding, and an injury treated with nothing makes it much worse.

LAB-B-023 LABOUR · EMPLOYMENT CONTRACTS & RECORDS · 23 OF 54

Written Employment Contracts in Two Copies

Area **HR** | Person in charge **HR Manager** | Regulator **MHRSD**

MAXIMUM PENALTY

SAR 1,000

per worker · 50+ workers · SAR 500 (21–49) · SAR 300 (≤20)

× 20 workers: **SAR 20,000**

• MODERATE

THE LAW

LABOUR

Saudi Labour Law (Royal Decree M/51 of 1426H, as amended) · MHRSD Schedule of Violations & Penalties, **Decision 112377 (Feb 2026)** · Section (A) **Row 34**: Employer's failure to document (authenticate) workers' contracts electronically [Serious]

WHAT WE CHECK

Every employment contract is written, in two copies (one each), and documented electronically as required.

CHECKPOINTS IN THE AUDIT

Q1 Is the employment contract written in two copies, one kept by each party, and documented per the statutory provisions and Implementing Regulations?

WHAT NON-COMPLIANCE COSTS YOU

THE FINE

SAR 1,000 (50+ workers), SAR 500 (21–49) or SAR 300 (≤20) per worker. Classified **Serious** (Row 34).

BEYOND THE FINE

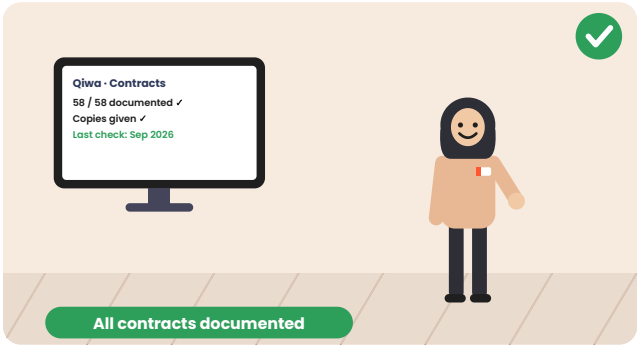
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REAL ENFORCEMENT

2 in 3

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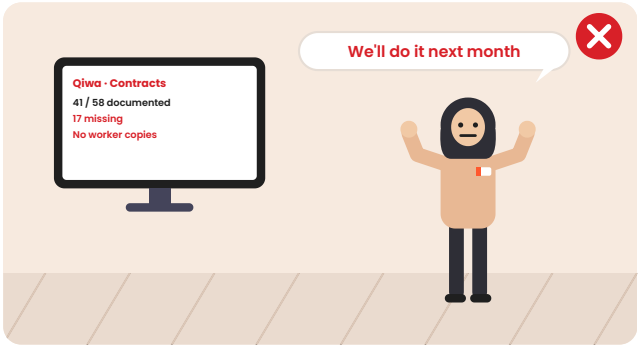
✔ RIGHT WAY



Every contract documented and a copy with the worker.

✖ WRONG WAY

SAR 1K / WORKER



17 workers have no documented contract.

PURPOSE

Undocumented contracts are fined per worker, and in a dispute the worker alone can prove what was agreed.

FIX IT WITHIN

◷ 7 days

AUDIT CRITERIA · PASS WHEN

- Every worker has a written contract
- Documented on the Ministry platform
- Worker has their own copy

IDEAL WAY OF AUDITING

1. Compare Qiwa contracts to payroll
2. Sample 5 files
3. Ask 2 workers for their copy

Evidence: Qiwa report + samples.

WORST CASE It's **SAR 1,000 per worker**. Seventeen missing contracts is **SAR 17,000**.

LAB-B-024 LABOUR · EMPLOYMENT CONTRACTS & RECORDS · 24 OF 54

Probation Period Stated & Within Limit

Area **HR** | Person in charge **HR Manager** | Regulator **MHRSD**

MAXIMUM PENALTY

SAR 100,000

general Labour Law penalty · no specific row in the schedule

Can be **doubled on repeat**

• SEVERE

THE LAW

LABOUR

Saudi Labour Law (Royal Decree M/51 of 1426H, as amended) · MHRSD Schedule of Violations & Penalties, **Decision 112377 (Feb 2026)** · No specific row in the MHRSD schedule: general penalty provisions of the Labour Law

WHAT WE CHECK

Probation is written into the contract with a clear duration, and never exceeds 180 days in total.

Applies when: Only where a probationary period applies

CHECKPOINTS IN THE AUDIT

Q1 Where a worker is on probation, is it expressly stated in the contract with its duration, and does the total not exceed 180 days?

WHAT NON-COMPLIANCE COSTS YOU

THE FINE

No specific row in Decision 112377. The **general Labour Law penalty of up to SAR 100,000 per violation** applies, and can be doubled on repeat.

BEYOND THE FINE

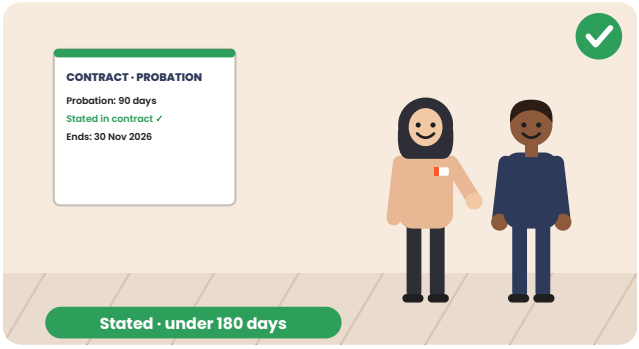
Fines are due within **60 days**, and an objection doesn't pause them. Unpaid fines **freeze Qiwa, Ajeer and MHRSD services**: no new visas, transfers or permits.

REAL ENFORCEMENT

168,000

labour violations found in **250,000 MHRSD inspection visits** in Q1 2026 alone: two for every three visits.

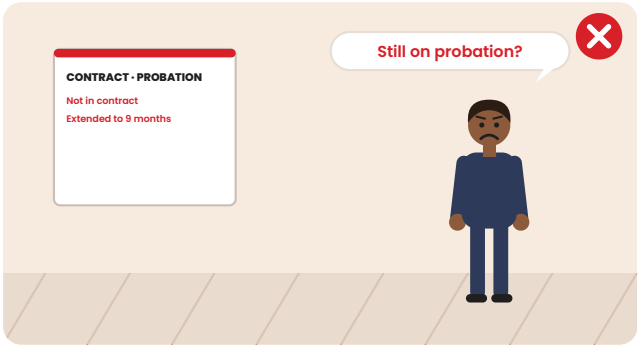
✔ RIGHT WAY



90-day probation written into the contract.

✖ WRONG WAY

UP TO SAR 100K



Probation never written down and stretched to 9 months.

PURPOSE

An unwritten or over-long probation can't be relied on. A dismissal "on probation" becomes an unfair termination.

FIX IT WITHIN

◷ 7 days

AUDIT CRITERIA · PASS WHEN

- Probation stated in the contract
- Duration clearly specified
- Total never above 180 days

IDEAL WAY OF AUDITING

1. Check probation clauses in 5 contracts
2. Check extensions
3. Compare with start dates

Evidence: Contract samples.

WORST CASE No specific row applies, so the **general penalty of up to SAR 100,000** can apply, plus a wrongful dismissal claim.

LAB-B-025 LABOUR · EMPLOYMENT CONTRACTS & RECORDS · 25 OF 54

No Relocation Without Written Consent

Area **HR · Branches** | Person in charge **HR Manager** | Regulator **MHRSD**

MAXIMUM PENALTY

SAR 100,000

general Labour Law penalty · no specific row in the schedule

Can be **doubled on repeat**

• SEVERE

THE LAW

LABOUR

Saudi Labour Law (Royal Decree M/51 of 1426H, as amended) · MHRSD Schedule of Violations & Penalties, **Decision 112377 (Feb 2026)** · No specific row in the MHRSD schedule: general penalty provisions of the Labour Law

WHAT WE CHECK

No worker is moved to a place that needs them to change residence without written consent, except emergencies of up to 30 days a year at the employer's cost.

CHECKPOINTS IN THE AUDIT

Q1 Does the employer refrain from transferring a worker, without written consent, to another place requiring a change of residence, except in emergencies of up to 30 days a year?

WHAT NON-COMPLIANCE COSTS YOU

THE FINE

No specific row in Decision 112377. The **general Labour Law penalty of up to SAR 100,000 per violation** applies, and can be doubled on repeat.

BEYOND THE FINE

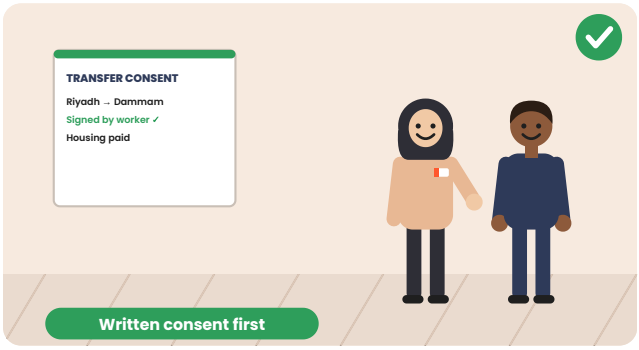
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WHAT HAPPENS NEXT

60 days

to pay an MHRSD fine, and objecting doesn't pause the clock. After that, **Qiwa, Ajeer and MHRSD services are frozen**.

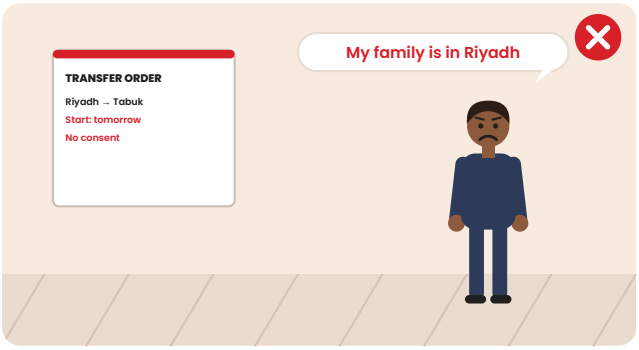
✔ RIGHT WAY



Transfer agreed in writing, with housing covered.

✖ WRONG WAY

UP TO SAR 100K



Worker ordered to Tabuk from tomorrow with no consent.

PURPOSE

Relocating without consent is an easy complaint to win. It can also turn into a claim for constructive dismissal.

FIX IT WITHIN

◷ 7 days

AUDIT CRITERIA · PASS WHEN

- Written consent for every relocation
- Emergency moves ≤ 30 days a year
- Travel and housing costs covered

IDEAL WAY OF AUDITING

1. List transfers in the last year
2. Check consents
3. Check emergency durations

Evidence: Transfer list + consents.

WORST CASE No specific row: the **general penalty of up to SAR 100,000** applies, doubled on repeat.

LAB-B-026 LABOUR · SAUDIZATION & WORK PERMITS · 26 OF 54

Saudization Plan & Replacement Register

Area **HR · Saudization** | Person in charge **HR Manager** | Regulator **MHRSD**

MAXIMUM PENALTY

SAR 100,000

general Labour Law penalty · no specific row in the schedule

Can be **doubled on repeat**

• SEVERE

THE LAW

LABOUR

Saudi Labour Law (Royal Decree M/51 of 1426H, as amended) · MHRSD Schedule of Violations & Penalties, **Decision 112377 (Feb 2026)** · No specific row in the MHRSD schedule: general penalty provisions of the Labour Law

WHAT WE CHECK

Saudi workers are trained and developed to gradually replace non-Saudis, and a register records the Saudis who have replaced non-Saudis.

CHECKPOINTS IN THE AUDIT

Q1 Does the employer prepare and develop Saudi workers to gradually replace non-Saudis, and keep a register of Saudi workers who have replaced non-Saudis?

WHAT NON-COMPLIANCE COSTS YOU

THE FINE

No specific row in Decision 112377. The **general Labour Law penalty of up to SAR 100,000 per violation** applies, and can be doubled on repeat.

BEYOND THE FINE

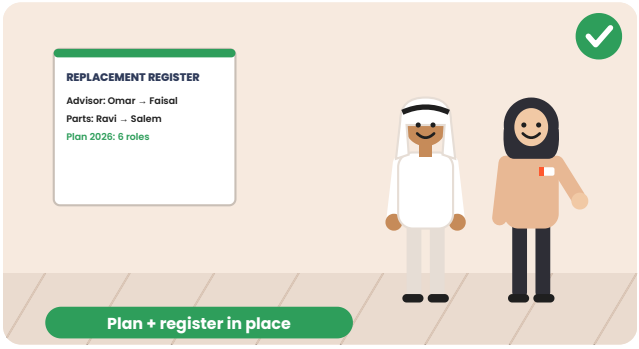
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REAL ENFORCEMENT

132,000

Saudization inspection visits carried out by MHRSD in Q1 2026 alone.

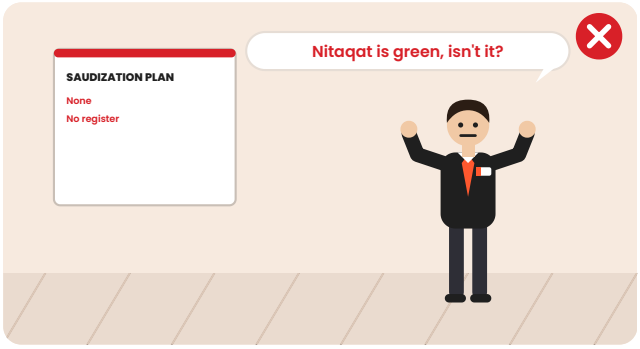
✔ RIGHT WAY



A live plan and a register of Saudis replacing non-Saudis.

✖ WRONG WAY

UP TO SAR 100K



No plan, no register.

PURPOSE

Saudization ratios keep rising. Without a plan and register, the establishment can't show progress when ratios change.

FIX IT WITHIN

30 days

AUDIT CRITERIA · PASS WHEN

- Written Saudization plan
- Training linked to the plan
- Replacement register up to date

IDEAL WAY OF AUDITING

1. Ask for the plan
2. Check the register
3. Compare with this year's hires

Evidence: Plan + register.

WORST CASE No specific row: the **general penalty of up to SAR 100,000** applies, and Saudization quota breaches cost **SAR 6,000 per worker** over the ratio.

LAB-B-027 LABOUR · TRAINING & DEVELOPMENT · 27 OF 54

Required Share of Saudi Workers Trained

Area **HR · Training** | Person in charge **HR Manager** | Regulator **MHRSD**

MAXIMUM PENALTY

SAR 500

per untrained worker (Category A only) · 50+ workers · n/a (21–49) · n/a (≤20)

× 20 workers: **SAR 10,000**

• MODERATE

THE LAW

LABOUR

Saudi Labour Law (Royal Decree M/51 of 1426H, as amended) · MHRSD Schedule of Violations & Penalties, **Decision 112377 (Feb 2026)** · Section (A) **Row 51**: Failure to train Saudi workers according to the ratios and mechanisms determined by the Minister [Not serious]

WHAT WE CHECK

The employer trains the percentage of its Saudi workers set by the Minister, including those studying at the employer's cost.

CHECKPOINTS IN THE AUDIT

Q1 Does the employer qualify or train the percentage of its Saudi workers determined by the Minister, in line with the Implementing Regulations?

WHAT NON-COMPLIANCE COSTS YOU

THE FINE

SAR 500 (50+ workers), n/a (21–49) or n/a (≤20) per untrained worker (Category A only). Classified **Not serious** (Row 51).

BEYOND THE FINE

Fines are due within **60 days**, and an objection doesn't pause them. Unpaid fines **freeze Qiwa, Ajeer and MHRSD services**: no new visas, transfers or permits.

REAL ENFORCEMENT

132,000

Saudization inspection visits carried out by MHRSD in Q1 2026 alone.

✔ RIGHT WAY



14% of Saudi staff trained against a 12% target.

✖ WRONG WAY

SAR 500 / WORKER



Only 3% trained. Nothing reported.

PURPOSE

The fine is charged per untrained worker (Category A), so a shortfall multiplies with headcount.

FIX IT WITHIN

30 days

AUDIT CRITERIA · PASS WHEN

- Target percentage known
- Training delivered and recorded
- Data disclosed annually

IDEAL WAY OF AUDITING

1. Calculate the current percentage
2. Check training records
3. Check the annual disclosure

Evidence: Training report.

WORST CASE It's **SAR 500 per untrained worker**. A shortfall of 20 is **SAR 10,000**, and the training data disclosure is fined separately.

LAB-B-028 LABOUR · TRAINING & DEVELOPMENT · 28 OF 54

Written Training Contracts

Area **HR · Training** | Person in charge **HR Manager** | Regulator **MHRSD**

MAXIMUM PENALTY

SAR 100,000

general Labour Law penalty · no specific row in the schedule

Can be **doubled on repeat**

• SEVERE

THE LAW

LABOUR

Saudi Labour Law (Royal Decree M/51 of 1426H, as amended) · MHRSD Schedule of Violations & Penalties, **Decision 112377 (Feb 2026)** · No specific row in the MHRSD schedule: general penalty provisions of the Labour Law

WHAT WE CHECK

Training or qualification contracts are in writing: the occupation, duration and stages, the allowance per stage (not piece-rate), and both parties' rights and duties.

Applies when: Only where qualification or training contracts are concluded

CHECKPOINTS IN THE AUDIT

Q1 Is every qualification or training contract in writing, specifying the occupation, duration and stages, the trainee allowance per stage (not piece-rate), and each party's rights and obligations?

WHAT NON-COMPLIANCE COSTS YOU

THE FINE

No specific row in Decision 112377. The **general Labour Law penalty of up to SAR 100,000 per violation** applies, and can be doubled on repeat.

BEYOND THE FINE

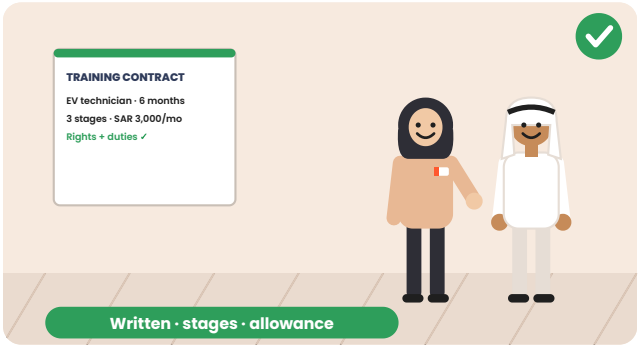
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WHAT HAPPENS NEXT

60 days

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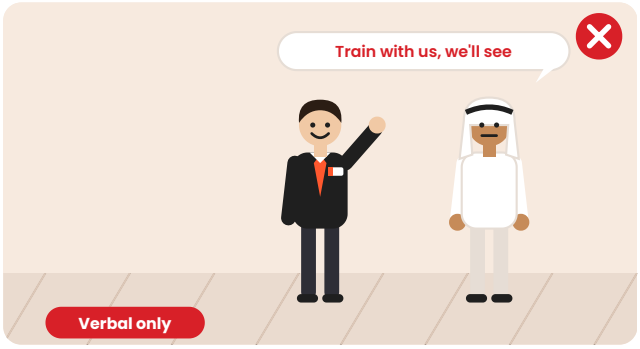
✔ RIGHT WAY



Written training contract with stages and allowance.

✖ WRONG WAY

UP TO SAR 100K



A verbal promise: "Train with us, we'll see."

PURPOSE

Without a written training contract, the employer can't recover costs or enforce commitments, and the trainee can't prove their rights.

FIX IT WITHIN

30 days

AUDIT CRITERIA · PASS WHEN

- Every trainee has a written contract
- Occupation, stages and duration stated
- Allowance per stage, not piece-rate

IDEAL WAY OF AUDITING

1. List current trainees
2. Check each contract
3. Check allowance payments

Evidence: Trainee contracts + allowance records.

WORST CASE No specific row: the **general penalty of up to SAR 100,000** can apply.

LAB-B-029 LABOUR · WORKING HOURS & LEAVE · 29 OF 54

Daily & Weekly Working Hour Limits

Area **Every site** | Person in charge **HR Manager · Branch / Site Manager** | Regulator **MHRSD**

MAXIMUM PENALTY

SAR 3,000

per worker · 50+ workers · SAR 2,000 (21–49) · SAR 1,000 (≤20)

× 20 workers: **SAR 60,000**

• MODERATE

THE LAW

LABOUR

Saudi Labour Law (Royal Decree M/51 of 1426H, as amended) · MHRSD Schedule of Violations & Penalties, **Decision 112377 (Feb 2026)** · Section (A) **Row 41**: Failure to grant the worker the statutory weekly rest day, or increasing working hours beyond what is stipulated in Article (98) without assignment as… [Not serious]

WHAT WE CHECK

No one actually works more than 8 hours a day or 48 a week (6 and 36 for Muslim workers in Ramadan), unless it's properly assigned and paid overtime.

CHECKPOINTS IN THE AUDIT

Q1 Is no worker employed for more than 8 hours a day or 48 hours a week, and are Muslim workers' hours reduced to 6 a day or 36 a week during Ramadan?

WHAT NON-COMPLIANCE COSTS YOU

THE FINE

SAR 3,000 (50+ workers), SAR 2,000 (21–49) or SAR 1,000 (≤20) per worker. Classified **Not serious** (Row 41).

BEYOND THE FINE

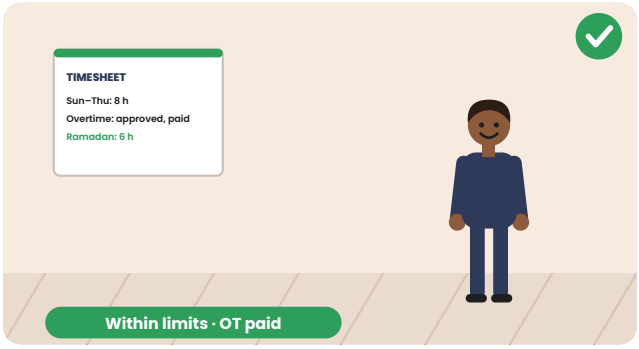
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REAL ENFORCEMENT

2 in 3

MHRSD inspection visits found a violation in Q1 2026: **168,000 violations from 250,000 visits**.

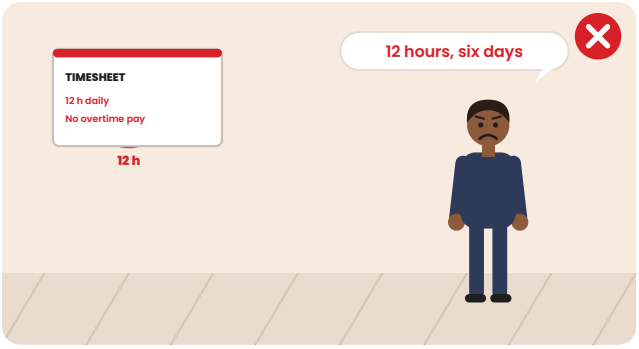
✔ RIGHT WAY



8-hour days, with approved overtime paid.

✖ WRONG WAY

SAR 3K / WORKER



12-hour days, six days a week, no overtime pay.

PURPOSE

Hour limits are charged per worker. Long shifts are easy to prove from gate logs and timesheets.

FIX IT WITHIN

◷ 72 hours

AUDIT CRITERIA · PASS WHEN

- Hours within 8/day, 48/week
- Ramadan hours reduced
- Any extra time is approved and paid overtime

IDEAL WAY OF AUDITING

1. Compare timesheets with gate logs
2. Check Ramadan rosters
3. Check overtime payments

Evidence: Timesheets + gate logs + OT payments.

WORST CASE It's **SAR 3,000 per worker**. A service team of 25 on 12-hour shifts is **SAR 75,000**.

LAB-B-030 LABOUR · WORKING HOURS & LEAVE · 30 OF 54

Weekly Rest Day Granted

Area **Every site** | Person in charge **HR Manager · Branch / Site Manager** | Regulator **MHRSD**

MAXIMUM PENALTY

SAR 3,000

per worker · 50+ workers · SAR 2,000 (21–49) · SAR 1,000 (≤20)

× 20 workers: **SAR 60,000**

• MODERATE

THE LAW
LABOUR

Saudi Labour Law (Royal Decree M/51 of 1426H, as amended) · MHRSD Schedule of Violations & Penalties, **Decision 112377 (Feb 2026)** · Section (A) **Row 41**: Failure to grant the worker the statutory weekly rest day, or increasing working hours beyond what is stipulated in Article (98) without assignment as… [Not serious]

WHAT WE CHECK

Friday (or another notified day) is a paid weekly rest day of at least 24 hours in a row, and it's never swapped for cash.

CHECKPOINTS IN THE AUDIT

Q1 Is Friday, or another notified day, granted as a paid weekly rest day of at least 24 consecutive hours, and not substituted with cash?

WHAT NON-COMPLIANCE COSTS YOU

THE FINE

SAR 3,000 (50+ workers), SAR 2,000 (21–49) or SAR 1,000 (≤20) per worker. Classified **Not serious** (Row 41).

BEYOND THE FINE

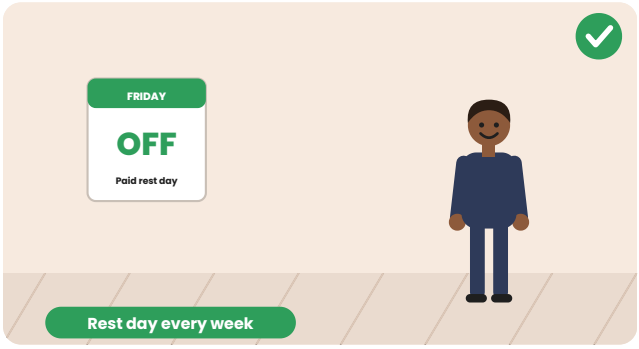
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REAL ENFORCEMENT

168,000

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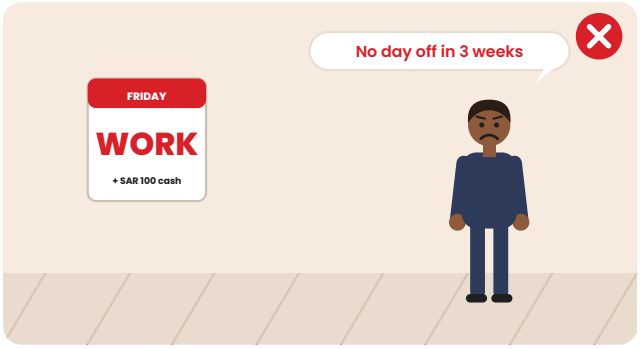
✔ RIGHT WAY



Friday off every week, with pay.

✖ WRONG WAY

SAR 3K / WORKER



Worker paid SAR 100 to give up his rest day, three weeks running.

PURPOSE

Rest days can't be bought out. The fine is charged per worker, so a team working through the weekend multiplies fast.

FIX IT WITHIN

◷ 72 hours

AUDIT CRITERIA · PASS WHEN

- Weekly rest day for every worker
- At least 24 hours in a row
- Never replaced by cash

IDEAL WAY OF AUDITING

1. Check rosters for the last month
2. Look for 7-day weeks
3. Check any "rest day" payments

Evidence: Rosters + payroll.

WORST CASE It's **SAR 3,000 per worker**. Twenty workers with no rest day is **SAR 60,000**.

LAB-B-031 LABOUR · WORKING HOURS & LEAVE · 31 OF 54

Annual Leave Granted per Entitlement

Area **HR** | Person in charge **HR Manager** | Regulator **MHRSD**

MAXIMUM PENALTY

SAR 3,000

per worker · 50+ workers · SAR 2,000 (21–49) · SAR 1,000 (≤20)

× 20 workers: **SAR 60,000**

• MODERATE

THE LAW

LABOUR

Saudi Labour Law (Royal Decree M/51 of 1426H, as amended) · MHRSD Schedule of Violations & Penalties, **Decision 112377 (Feb 2026)** · Section (A) **Row 42**: Establishment's failure to comply with the statutory leave entitlements of workers [Not serious]

WHAT WE CHECK

Workers get at least 21 days' annual leave (30 after five years), paid in advance, taken in the year, never cashed out during service, with notice of the dates.

CHECKPOINTS IN THE AUDIT

Q1 Are workers granted at least 21 days' annual leave (30 after five years), paid in advance, taken in the year due, without cash-out during service, with advance notice of dates?

WHAT NON-COMPLIANCE COSTS YOU

THE FINE

SAR 3,000 (50+ workers), SAR 2,000 (21–49) or SAR 1,000 (≤20) per worker. Classified **Not serious** (Row 42).

BEYOND THE FINE

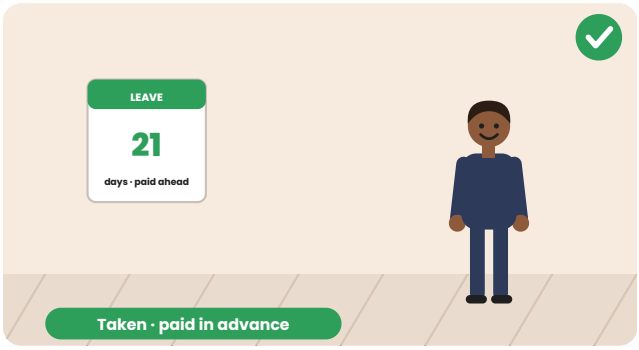
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WHAT HAPPENS NEXT

60 days

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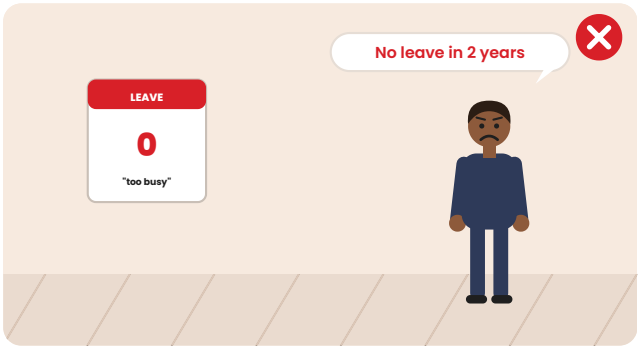
✔ RIGHT WAY



21 days approved and paid before the worker leaves.

✖ WRONG WAY

SAR 3K / WORKER



No leave for two years: "too busy".

PURPOSE

Leave is one of the most common worker complaints. The fine is per worker, and the leave is still owed.

FIX IT WITHIN

◷ 7 days

AUDIT CRITERIA · PASS WHEN

- Leave balance ≥ entitlement for every worker
- Leave taken in the year due
- Leave pay paid in advance

IDEAL WAY OF AUDITING

1. Run the leave balance report
2. Find balances over 1 year
3. Check leave pay dates

Evidence: Leave report + payroll.

WORST CASE It's **SAR 3,000 per worker**, and the unused leave still has to be paid.

LAB-B-032 LABOUR · WORKING HOURS & LEAVE · 32 OF 54

Paid Public Holiday Leave

Area **HR** | Person in charge **HR Manager** | Regulator **MHRSD**

MAXIMUM PENALTY

SAR 3,000

per worker · 50+ workers · SAR 2,000 (21–49) · SAR 1,000 (≤20)

× 20 workers: **SAR 60,000**

• MODERATE

THE LAW

LABOUR

Saudi Labour Law (Royal Decree M/51 of 1426H, as amended) · MHRSD Schedule of Violations & Penalties, **Decision 112377 (Feb 2026)** · Section (A) **Row 42**: Establishment's failure to comply with the statutory leave entitlements of workers [Not serious]

WHAT WE CHECK

Every worker gets full pay for the official holidays and occasions set by the Implementing Regulations.

CHECKPOINTS IN THE AUDIT

Q1 Is every worker granted leave with full pay on the holidays and occasions specified by the Implementing Regulations?

WHAT NON-COMPLIANCE COSTS YOU

THE FINE

SAR 3,000 (50+ workers), SAR 2,000 (21–49) or SAR 1,000 (≤20) per worker. Classified **Not serious** (Row 42).

BEYOND THE FINE

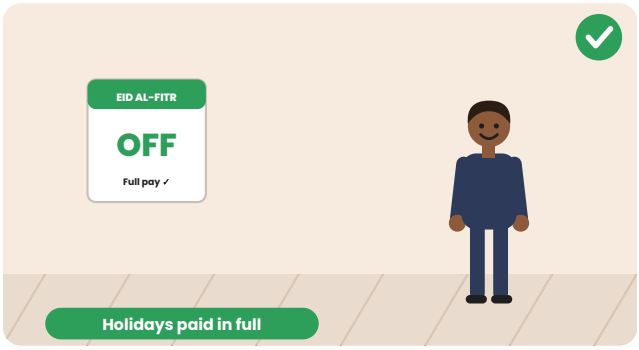
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REAL ENFORCEMENT

2 in 3

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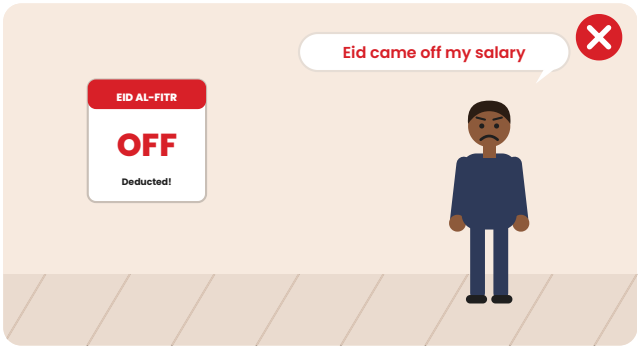
✔ RIGHT WAY



Eid off with full pay.

✖ WRONG WAY

SAR 3K / WORKER



Eid days deducted from the salary.

PURPOSE

Holiday pay mistakes hit every worker at once, and the fine is per worker.

FIX IT WITHIN

◷ 7 days

AUDIT CRITERIA · PASS WHEN

- Official holidays granted
- Paid in full
- Work on holidays paid as required

IDEAL WAY OF AUDITING

1. Check the last Eid payroll
2. Look for deductions
3. Check holiday rosters

Evidence: Holiday payroll.

WORST CASE It's **SAR 3,000 per worker**. Deducting Eid for 50 staff is **SAR 150,000**.

LAB-B-033 LABOUR · WORKING HOURS & LEAVE · 33 OF 54

Marriage, Bereavement & Paternity Leave

Area **HR** | Person in charge **HR Manager** | Regulator **MHRSD**

MAXIMUM PENALTY

SAR 3,000

per worker · 50+ workers · SAR 2,000 (21–49) · SAR 1,000 (≤20)

× 20 workers: **SAR 60,000**

• MODERATE

THE LAW

LABOUR

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WHAT WE CHECK

Workers get paid leave: 5 days for marriage or the death of a spouse, parent or child; 3 days for a sibling's death; and 3 days for the birth of a child.

CHECKPOINTS IN THE AUDIT

Q1 Is a worker granted full-pay leave of five days on marriage or the death of a spouse, ascendant or descendant; three days on the death of a sibling; and three days on the birth of a child?

WHAT NON-COMPLIANCE COSTS YOU

THE FINE

SAR 3,000 (50+ workers), SAR 2,000 (21–49) or SAR 1,000 (≤20) per worker. Classified **Not serious** (Row 42).

BEYOND THE FINE

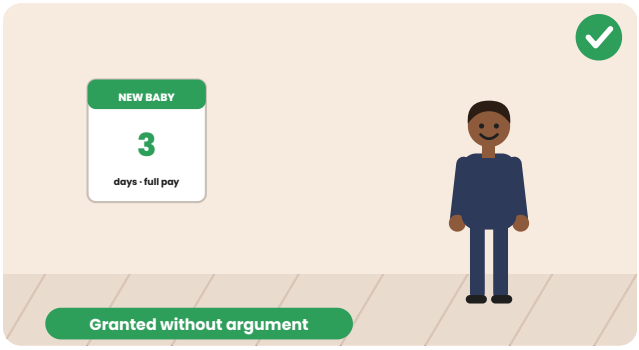
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REAL ENFORCEMENT

168,000

labour violations found in **250,000 MHRSD inspection visits** in Q1 2026 alone: two for every three visits.

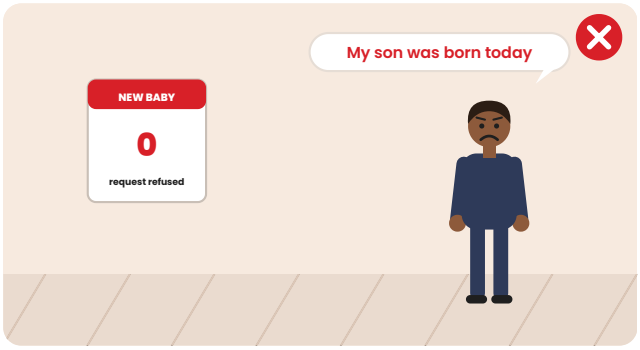
✔ RIGHT WAY



Three paid days off for the birth of a child.

✖ WRONG WAY

SAR 3K / WORKER



Request refused on the day the worker's son was born.

PURPOSE

These are small entitlements with big emotional weight. Refusing them turns into complaints fast.

FIX IT WITHIN

◷ 7 days

AUDIT CRITERIA · PASS WHEN

- Policy lists all special leave
- Leave granted with full pay
- Requests and approvals recorded

IDEAL WAY OF AUDITING

1. Check the leave policy
2. Sample special-leave requests
3. Check pay for those days

Evidence: Policy + request log.

WORST CASE It's **SAR 3,000 per worker** refused, for leave that costs a few days' pay.

LAB-B-034 LABOUR · WORKING HOURS & LEAVE · 34 OF 54

Examination Leave Granted

Area **HR** | Person in charge **HR Manager** | Regulator **MHRSD**

MAXIMUM PENALTY

SAR 3,000

per worker · 50+ workers · SAR 2,000 (21–49) · SAR 1,000 (≤20)

× 20 workers: **SAR 60,000**

• MODERATE

THE LAW

LABOUR

Saudi Labour Law (Royal Decree M/51 of 1426H, as amended) · MHRSD Schedule of Violations & Penalties, **Decision 112377 (Feb 2026)** · Section (A) **Row 42**: Establishment's failure to comply with the statutory leave entitlements of workers [Not serious]

WHAT WE CHECK

Exam leave follows the law: full pay for exam days of a non-repeated year the employer approved; otherwise from annual leave or unpaid.

CHECKPOINTS IN THE AUDIT

Q1 Is examination leave granted per the Labour Law: full pay for actual exam days of an approved, non-repeated year; otherwise deducted from annual leave or unpaid?

WHAT NON-COMPLIANCE COSTS YOU

THE FINE

SAR 3,000 (50+ workers), SAR 2,000 (21–49) or SAR 1,000 (≤20) per worker. Classified **Not serious** (Row 42).

BEYOND THE FINE

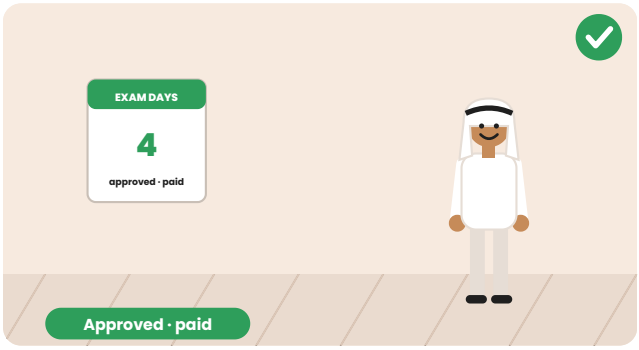
Fines are due within **60 days**, and an objection doesn't pause them. Unpaid fines **freeze Qiwa, Ajeer and MHRSD services**: no new visas, transfers or permits.

WHAT HAPPENS NEXT

60 days

to pay an MHRSD fine, and objecting doesn't pause the clock. After that, **Qiwa, Ajeer and MHRSD services are frozen**.

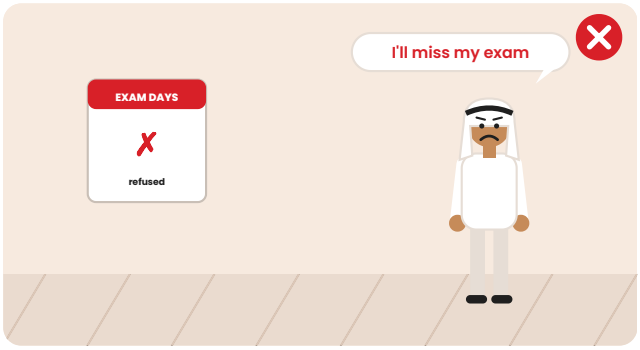
✔ RIGHT WAY



Four exam days approved on full pay.

✖ WRONG WAY

SAR 3K / WORKER



Exam leave refused outright.

PURPOSE

Development matters for Saudization. Refusing exam leave is fined per worker.

FIX IT WITHIN

7 days

AUDIT CRITERIA · PASS WHEN

- Exam leave requests handled per the law
- Full pay where approved
- Decision recorded

IDEAL WAY OF AUDITING

1. Check exam leave requests
2. Check pay treatment
3. Check decisions

Evidence: Request log.

WORST CASE It's **SAR 3,000 per worker**.

LAB-B-035 LABOUR · WORKING HOURS & LEAVE · 35 OF 54

Sick Leave Paid per Law

Area **HR** | Person in charge **HR Manager** | Regulator **MHRSD**

MAXIMUM PENALTY

SAR 3,000

per worker · 50+ workers · SAR 2,000 (21–49) · SAR 1,000 (≤20)

× 20 workers: **SAR 60,000**

• MODERATE

THE LAW

LABOUR

Saudi Labour Law (Royal Decree M/51 of 1426H, as amended) · MHRSD Schedule of Violations & Penalties, **Decision 112377 (Feb 2026)** · Section (A) **Row 42**: Establishment's failure to comply with the statutory leave entitlements of workers [Not serious]

WHAT WE CHECK

Proven sick leave is paid in full for the first 30 days, at three-quarters for the next 60, and unpaid for the following 30, within one year.

CHECKPOINTS IN THE AUDIT

Q1 Is a worker with proven illness granted sick leave at full pay for 30 days, three-quarters pay for the next 60 days, and unpaid for the following 30 days within one year?

WHAT NON-COMPLIANCE COSTS YOU

THE FINE

SAR 3,000 (50+ workers), SAR 2,000 (21–49) or SAR 1,000 (≤20) per worker. Classified **Not serious** (Row 42).

BEYOND THE FINE

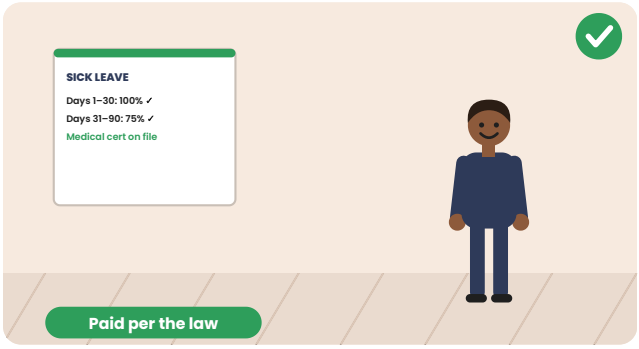
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REAL ENFORCEMENT

2 in 3

MHRSD inspection visits found a violation in Q1 2026: **168,000 violations from 250,000 visits**.

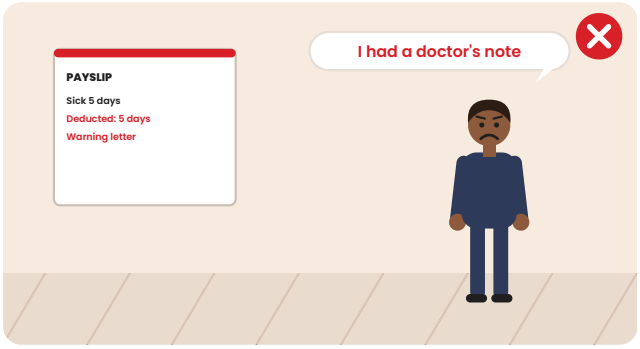
✔ RIGHT WAY



Sick leave paid at the right rate, certificate on file.

✖ WRONG WAY

SAR 3K / WORKER



Five sick days deducted, plus a warning letter.

PURPOSE

Deducting certified sick days is fined per worker. It also pushes sick workers to come in and injure themselves.

FIX IT WITHIN

72 hours

AUDIT CRITERIA · PASS WHEN

- Certified sick leave paid at the legal rates
- Balances tracked per year
- No warnings for certified absence

IDEAL WAY OF AUDITING

1. Sample 5 sick-leave cases
2. Check pay rates
3. Check any warnings issued

Evidence: Sick leave records + payroll.

WORST CASE It's **SAR 3,000 per worker**, plus the wages that were wrongly deducted.

LAB-B-036 LABOUR · WORKING HOURS & LEAVE · 36 OF 54

Hajj Leave Granted

Area **HR** | Person in charge **HR Manager** | Regulator **MHRSD**

MAXIMUM PENALTY

SAR 3,000

per worker · 50+ workers · SAR 2,000 (21–49) · SAR 1,000 (≤20)

× 20 workers: **SAR 60,000**

• MODERATE

THE LAW

LABOUR

Saudi Labour Law (Royal Decree M/51 of 1426H, as amended) · MHRSD Schedule of Violations & Penalties, **Decision 112377 (Feb 2026)** · Section (A) **Row 42**: Establishment's failure to comply with the statutory leave entitlements of workers [Not serious]

WHAT WE CHECK

Workers with two years' service who haven't done Hajj get 10–15 days' paid leave, once, including Eid Al-Adha.

CHECKPOINTS IN THE AUDIT

Q1 Is a worker with at least two consecutive years' service who has not performed Hajj granted 10 to 15 days' paid leave, including Eid Al-Adha, once during service?

WHAT NON-COMPLIANCE COSTS YOU

THE FINE

SAR 3,000 (50+ workers), SAR 2,000 (21–49) or SAR 1,000 (≤20) per worker. Classified **Not serious** (Row 42).

BEYOND THE FINE

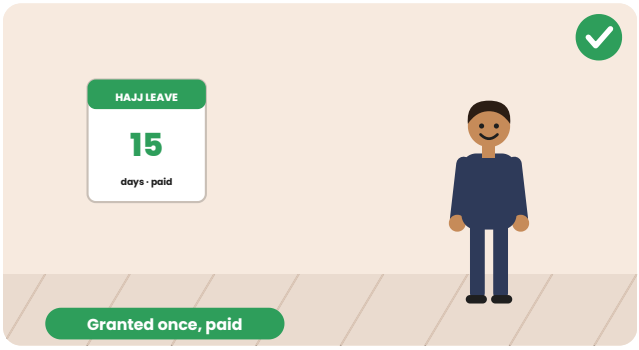
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REAL ENFORCEMENT

168,000

labour violations found in **250,000 MHRSD inspection visits** in Q1 2026 alone: two for every three visits.

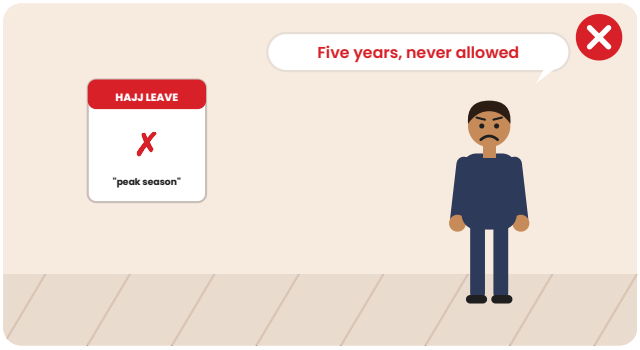
✔ RIGHT WAY



15 days' paid Hajj leave approved.

✖ WRONG WAY

SAR 3K / WORKER



Refused for "peak season" five years running.

PURPOSE

Hajj leave is a right, not a favour. The employer can set the quota each year, but not refuse it forever.

FIX IT WITHIN

◷ 7 days

AUDIT CRITERIA · PASS WHEN

- Eligible workers identified
- Leave granted with pay
- Quota and selection recorded

IDEAL WAY OF AUDITING

1. List eligible workers
2. Check requests and decisions
3. Check pay

Evidence: Eligibility list + decisions.

WORST CASE It's **SAR 3,000 per worker** refused.

LAB-B-037 LABOUR · WAGES & END OF SERVICE · 37 OF 54

Wages Paid in Local Currency on Schedule

Area **HR · Payroll** | Person in charge **HR Manager** | Regulator **MHRSD**

MAXIMUM PENALTY

SAR 300

per worker · 50+ workers · SAR 300 (21–49) · SAR 300 (≤20)

× 20 workers: **SAR 6,000**

• MODERATE

THE LAW

LABOUR

Saudi Labour Law (Royal Decree M/51 of 1426H, as amended) · MHRSD Schedule of Violations & Penalties, **Decision 112377 (Feb 2026)** · Section (A) **Row 39**: Failure to pay workers' wages and entitlements in the official currency of the country on their specified due dates into their approved bank accounts,... [Serious]

WHAT WE CHECK

Wages and amounts due are paid in Saudi riyals, on time: daily-paid weekly, monthly-paid monthly, and piece-rate in step with the work.

CHECKPOINTS IN THE AUDIT

Q1 Are wages and all amounts due paid in the official currency, during working hours at the place of work, weekly for daily-paid and monthly for monthly-paid workers?

WHAT NON-COMPLIANCE COSTS YOU

THE FINE

SAR 300 (50+ workers), SAR 300 (21–49) or SAR 300 (≤20) per worker. Classified **Serious** (Row 39).

BEYOND THE FINE

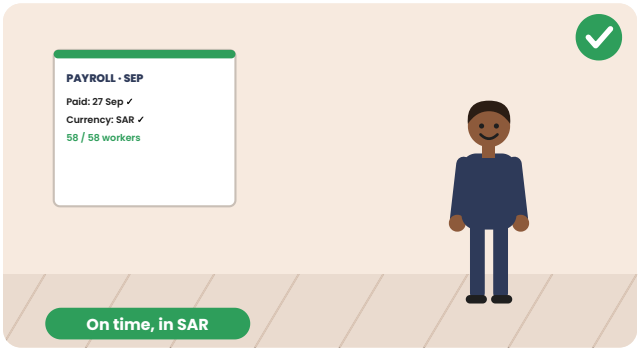
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WHAT HAPPENS NEXT

60 days

to pay an MHRSD fine, and objecting doesn't pause the clock. After that, **Qiwa, Ajeer and MHRSD services are frozen**.

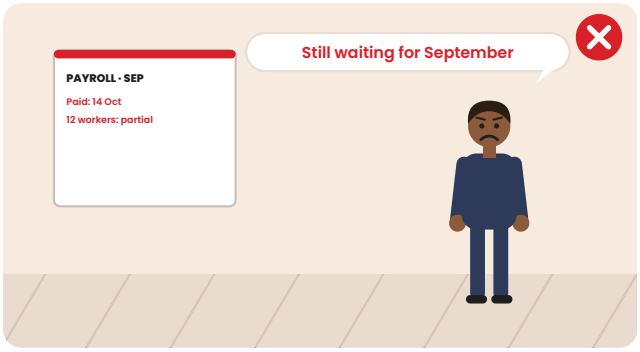
✔ RIGHT WAY



September salaries paid on the 27th, in full.

✖ WRONG WAY

SAR 300 / WORKER



Paid two weeks late, and partly.

PURPOSE

Late wages are the single most common labour complaint. The fine is per worker, every month it happens.

FIX IT WITHIN

24 hours

AUDIT CRITERIA · PASS WHEN

- Wages paid on the due date
- Paid in full, in SAR
- No withholding without a court basis

IDEAL WAY OF AUDITING

1. Check the last 3 payroll dates
2. Compare paid vs due
3. Look for partial payments

Evidence: Payroll + bank records.

WORST CASE It's **SAR 300 per worker** per late cycle, and it grows each month, alongside WPS penalties.

LAB-B-038 LABOUR · WAGES & END OF SERVICE · 38 OF 54

Wage Protection System Payments on Time

Area **HR · Payroll** | Person in charge **HR Manager** | Regulator **MHRSD**

MAXIMUM PENALTY

SAR 2,000

per violation · 50+ workers · SAR 1,000 (21–49) · SAR 500 (≤20)

Unpaid in 60 days: **Qiwa & Ajeer services frozen**

• MODERATE

THE LAW
LABOUR

Saudi Labour Law (Royal Decree M/51 of 1426H, as amended) · MHRSD Schedule of Violations & Penalties, **Decision 112377 (Feb 2026)** · Section (A) **Row 40**: Employer's failure to upload the Wage Protection file monthly, or, when uploading the file monthly, failure to meet the compliance rate set by the Min… [Serious]

WHAT WE CHECK

Wages are paid into workers' bank accounts through the Wage Protection System (Mudad), by the due date.

CHECKPOINTS IN THE AUDIT

Q1 Are wages paid into workers' accounts through accredited banks (Wage Protection System) no later than the due date in Art. 90?

WHAT NON-COMPLIANCE COSTS YOU

THE FINE

SAR 2,000 (50+ workers), SAR 1,000 (21–49) or SAR 500 (≤20) per violation. Classified **Serious** (Row 40).

BEYOND THE FINE

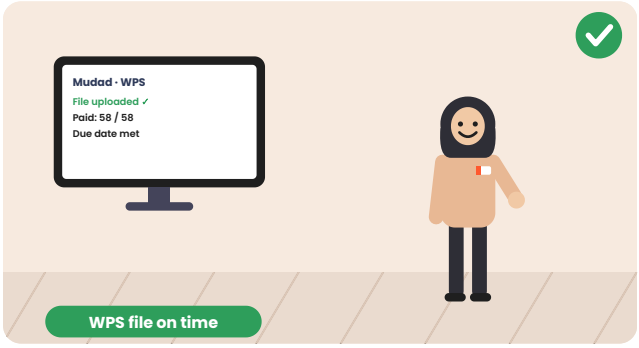
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REAL ENFORCEMENT

2 in 3

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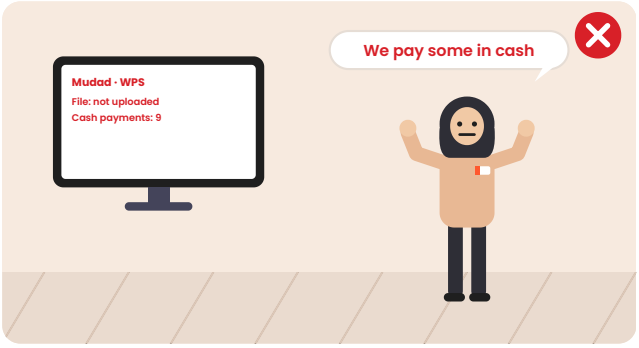
✔ RIGHT WAY



WPS file uploaded and all 58 paid by bank.

✖ WRONG WAY

SAR 2K



No WPS file this month, and nine workers paid in cash.

PURPOSE

WPS gives the Ministry a live view of every salary. A missing file is flagged automatically.

FIX IT WITHIN

24 hours

AUDIT CRITERIA · PASS WHEN

- WPS file uploaded every month
- All wages paid through the bank
- Paid by the due date

IDEAL WAY OF AUDITING

1. Check Mudad upload history
2. Match WPS to payroll
3. Look for cash payments

Evidence: Mudad report.

WORST CASE It's **SAR 2,000** each time, and WPS non-compliance can **block Ministry services**.

LAB-B-039 LABOUR · WAGES & END OF SERVICE · 39 OF 54

End-of-Service Benefit Paid Correctly

Area **HR · Exits** | Person in charge **HR Manager** | Regulator **MHRSD**

MAXIMUM PENALTY

SAR 3,000

per worker · 50+ workers · SAR 2,000 (21–49) · SAR 1,000 (≤20)

× 20 workers: **SAR 60,000**

• MODERATE

THE LAW

LABOUR

Saudi Labour Law (Royal Decree M/51 of 1426H, as amended) · MHRSD Schedule of Violations & Penalties, **Decision 112377 (Feb 2026)** · Section (A) **Row 36**: Employer's failure to pay the worker's wage and settle their entitlements within no more than one week from the end of the contractual relationship, o… [Not serious]

WHAT WE CHECK

On exit, the end-of-service benefit is paid correctly: half a month's wage per year for the first five years, a full month per year after, on the last wage.

CHECKPOINTS IN THE AUDIT

Q1 Upon termination, is the end-of-service benefit calculated at half a month's wage for each of the first five years and one month's wage for each later year, on the last wage, with proportional amounts for part years?

WHAT NON-COMPLIANCE COSTS YOU

THE FINE

SAR 3,000 (50+ workers), SAR 2,000 (21–49) or SAR 1,000 (≤20) per worker. Classified **Not serious** (Row 36).

BEYOND THE FINE

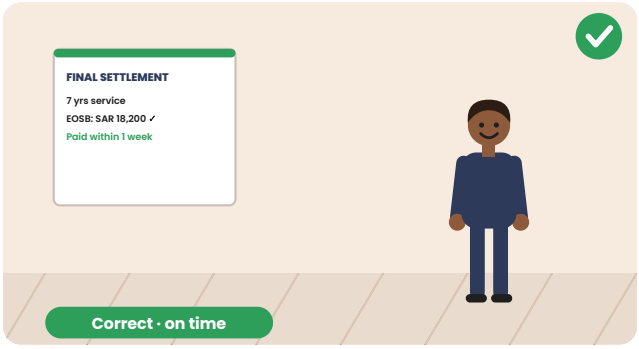
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REAL ENFORCEMENT

168,000

labour violations found in **250,000 MHRSD inspection visits** in Q1 2026 alone: two for every three visits.

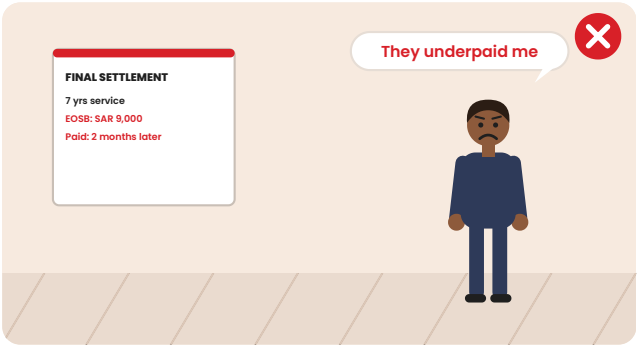
✔ RIGHT WAY



Correct EOSB, paid within a week of leaving.

✖ WRONG WAY

SAR 3K / WORKER



EOSB halved and paid two months late.

PURPOSE

Settlements must be paid within a week (two if the worker resigned). Late or short settlements are fined per worker.

FIX IT WITHIN

72 hours

AUDIT CRITERIA · PASS WHEN

- EOSB calculated correctly
- Paid within 1 week (2 if resigned)
- Calculation shared with the worker

IDEAL WAY OF AUDITING

1. Recalculate 3 recent settlements
2. Check payment dates
3. Check the worker signed off

Evidence: Settlement calculations + bank proof.

WORST CASE It's **SAR 3,000 per worker**, and the unpaid amount still goes to the labour court.

LAB-B-040 LABOUR · WAGES & END OF SERVICE · 40 OF 54

Resignation End-of-Service Benefit Applied

Area **HR · Exits** | Person in charge **HR Manager** | Regulator **MHRSD**

MAXIMUM PENALTY

SAR 3,000

per worker · 50+ workers · SAR 2,000 (21–49) · SAR 1,000 (≤20)

× 20 workers: **SAR 60,000**

• MODERATE

THE LAW

LABOUR

Saudi Labour Law (Royal Decree M/51 of 1426H, as amended) · MHRSD Schedule of Violations & Penalties, **Decision 112377 (Feb 2026)** · Section (A) **Row 36**: Employer's failure to pay the worker's wage and settle their entitlements within no more than one week from the end of the contractual relationship, o... [Not serious]

WHAT WE CHECK

When a worker resigns, the benefit follows the resignation scale: a third after 2–5 years, two-thirds after 5–10, and the full amount after 10.

CHECKPOINTS IN THE AUDIT

Q1 Where the worker resigns, are they paid one-third of the benefit after 2–5 years' service, two-thirds after 5–10 years, and the full benefit after 10 years?

WHAT NON-COMPLIANCE COSTS YOU

THE FINE

SAR 3,000 (50+ workers), SAR 2,000 (21–49) or SAR 1,000 (≤20) per worker. Classified **Not serious** (Row 36).

BEYOND THE FINE

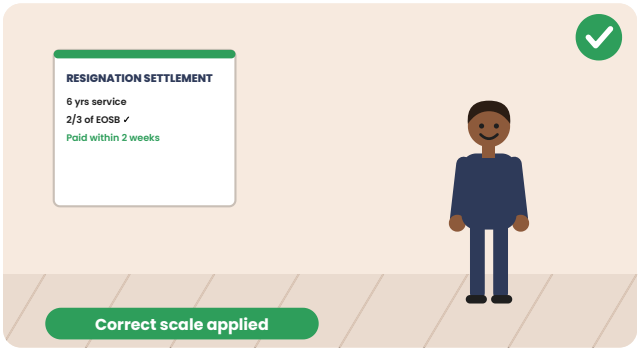
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WHAT HAPPENS NEXT

60 days

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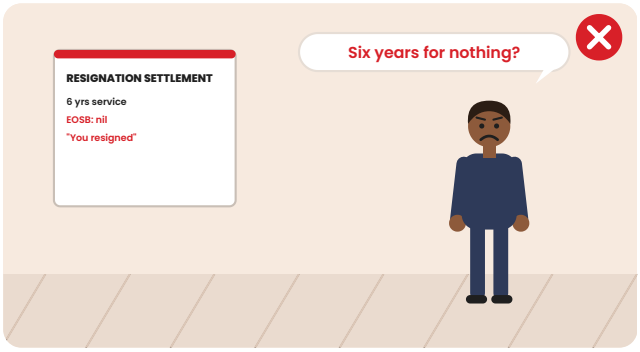
✔ RIGHT WAY



Two-thirds of the benefit paid for six years' service.

✖ WRONG WAY

SAR 3K / WORKER



Nothing paid because the worker resigned.

PURPOSE

Resignation doesn't cancel the benefit. Paying nothing is fined per worker and will be claimed in court.

FIX IT WITHIN

◷ 72 hours

AUDIT CRITERIA · PASS WHEN

- Resignation scale applied correctly
- Paid within 2 weeks
- Calculation signed off

IDEAL WAY OF AUDITING

1. Recalculate recent resignations
2. Check dates
3. Check sign-offs

Evidence: Settlement files.

WORST CASE It's **SAR 3,000 per worker**, plus the benefit the court will order paid.

LAB-B-041 LABOUR · SAUDIZATION & WORK PERMITS · 41 OF 54

No Unauthorised Work for Other Parties

Area **Management · HR** | Person in charge **HR Manager · Branch / Site Manager** | Regulator **MHRSD**

MAXIMUM PENALTY

SAR 20,000

per case · 50+ workers · SAR 15,000 (21–49) · SAR 10,000 (≤20)

× 20 cases: **SAR 400,000**

• HIGH

THE LAW

LABOUR

Saudi Labour Law (Royal Decree M/51 of 1426H, as amended) · MHRSD Schedule of Violations & Penalties, **Decision 112377 (Feb 2026)** · Section (A) **Row 52**: Employer allowing its worker to work for others or to work for the worker's own account [Serious]

WHAT WE CHECK

Workers only work for their own employer. No lending workers out, no side jobs on the employer's visa, and no hiring other employers' workers without the proper procedure (Ajeer).

CHECKPOINTS IN THE AUDIT

Q1 Does the employer refrain from letting its worker work for another party or on their own account, and from employing another employer's worker without the statutory procedure, and do workers refrain from doing so?

WHAT NON-COMPLIANCE COSTS YOU

THE FINE

SAR 20,000 (50+ workers), SAR 15,000 (21–49) or SAR 10,000 (≤20) per case. Classified **Serious** (Row 52).

BEYOND THE FINE

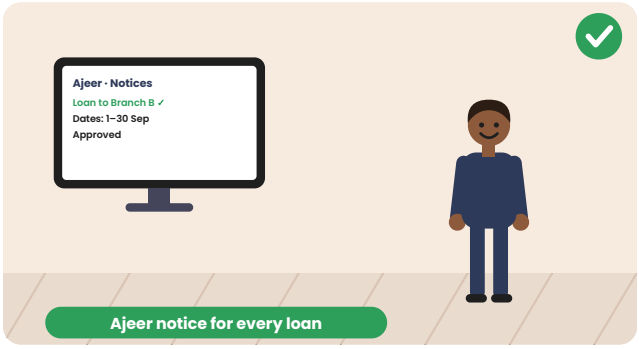
Fines are due within **60 days**, and an objection doesn't pause them. Unpaid fines **freeze Qiwa, Ajeer and MHRSD services**: no new visas, transfers or permits. Serious violations can also bring **service suspensions or bans**.

FINES JUST WENT UP

Up to 10×

The Feb 2026 schedule raised the fine for working outside the permitted occupation from SAR 300–1,000 to **SAR 3,000–10,000 per worker**.

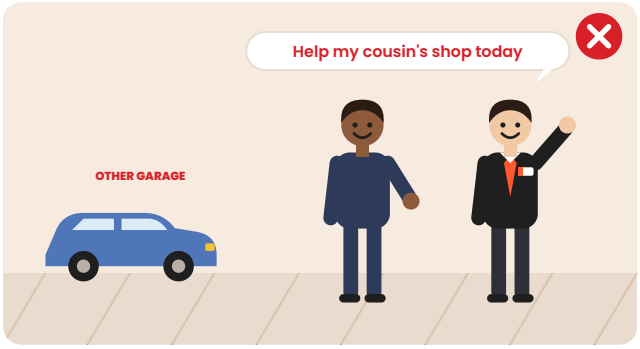
✔ RIGHT WAY



Worker loaned to another branch under an Ajeer notice.

✖ WRONG WAY

SAR 20K / CASE



Technician sent to a relative's garage with no paperwork.

PURPOSE

This is one of the heaviest fines in the schedule, charged per case.

FIX IT WITHIN

Immediate

AUDIT CRITERIA · PASS WHEN

- No workers working for others
- No outside workers without Ajeer
- Every loan documented

IDEAL WAY OF AUDITING

1. Match headcount to who's actually on site
2. Check Ajeer notices
3. Ask workers where else they work

Evidence: Headcount check + Ajeer records.

WORST CASE It's **SAR 20,000 per case**. Three technicians lent out is **SAR 60,000**.

LAB-B-042 LABOUR · EMPLOYMENT CONTRACTS & RECORDS · 42 OF 54

Written Fixed-Term Contracts for Non-Saudis

Area **HR** | Person in charge **HR Manager** | Regulator **MHRSD**

MAXIMUM PENALTY

SAR 1,000

per worker · 50+ workers · SAR 500 (21–49) · SAR 300 (≤20)

× 20 workers: **SAR 20,000**

• MODERATE

THE LAW

LABOUR

Saudi Labour Law (Royal Decree M/51 of 1426H, as amended) · MHRSD Schedule of Violations & Penalties, **Decision 112377 (Feb 2026)** · Section (A) **Row 34**: Employer's failure to document (authenticate) workers' contracts electronically [Serious]

WHAT WE CHECK

Every non-Saudi worker has a written, fixed-term contract. If no term is stated, it's one year from the start date.

Applies when: Only where non-Saudi workers are employed

CHECKPOINTS IN THE AUDIT

Q1 Is the employment contract of each non-Saudi worker in writing and for a fixed term?

WHAT NON-COMPLIANCE COSTS YOU

THE FINE

SAR 1,000 (50+ workers), SAR 500 (21–49) or SAR 300 (≤20) per worker. Classified **Serious** (Row 34).

BEYOND THE FINE

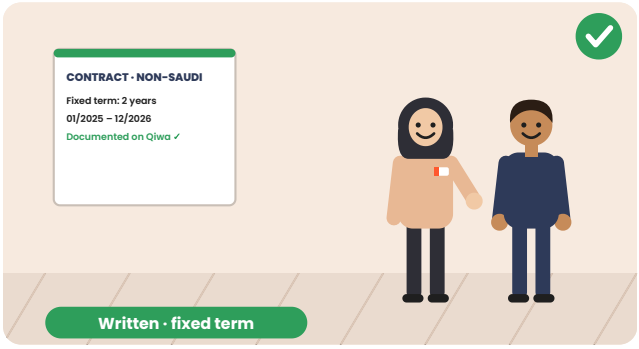
Fines are due within **60 days**, and an objection doesn't pause them. Unpaid fines **freeze Qiwa, Ajeer and MHRSD services**: no new visas, transfers or permits. Serious violations can also bring **service suspensions or bans**.

REAL ENFORCEMENT

168,000

labour violations found in **250,000 MHRSD inspection visits** in Q1 2026 alone: two for every three visits.

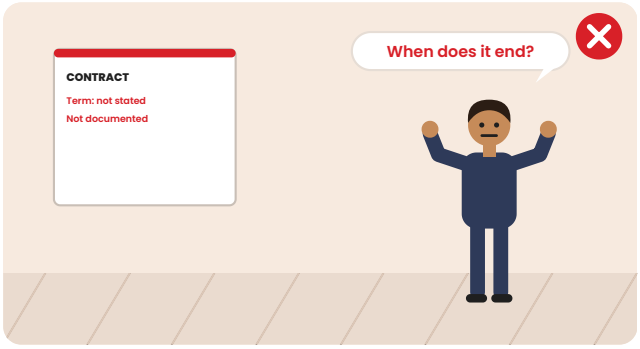
✔ RIGHT WAY



Two-year fixed-term contract, documented.

✖ WRONG WAY

SAR 1K / WORKER



No term stated and never documented.

PURPOSE

Non-Saudi contracts drive Iqama, permits and transfers. A missing term causes problems at every renewal.

FIX IT WITHIN

◷ 7 days

AUDIT CRITERIA · PASS WHEN

- Written contract for every non-Saudi
- Fixed term stated
- Documented on the platform

IDEAL WAY OF AUDITING

1. Sample 5 non-Saudi contracts
2. Check term clauses
3. Check documentation

Evidence: Contract samples.

WORST CASE It's **SAR 1,000 per worker** not documented.

LAB-B-043 LABOUR · EMPLOYMENT CONTRACTS & RECORDS · 43 OF 54

Passports & Iqamas Not Retained

Area **HR** | Person in charge **HR Manager · Legal & Compliance Officer** | Regulator **MHRSD**

MAXIMUM PENALTY

SAR 3,000

per worker · 50+ workers · SAR 2,000 (21–49) · SAR 1,000 (≤20)

× 20 workers: **SAR 60,000**

• MODERATE

THE LAW

LABOUR

Saudi Labour Law (Royal Decree M/51 of 1426H, as amended) · MHRSD Schedule of Violations & Penalties, **Decision 112377 (Feb 2026)** · Section (A) **Row 31**: Employer retaining the worker's passport or residence permit (iqama) [Serious]

WHAT WE CHECK

The employer never keeps a worker's passport, Iqama or medical insurance card without their consent.

CHECKPOINTS IN THE AUDIT

Q1 Does the employer refrain from retaining the worker's passport, residence permit (Iqama) or medical insurance card without the worker's consent?

WHAT NON-COMPLIANCE COSTS YOU

THE FINE

SAR 3,000 (50+ workers), SAR 2,000 (21–49) or SAR 1,000 (≤20) per worker. Classified **Serious** (Row 31).

BEYOND THE FINE

Fines are due within **60 days**, and an objection doesn't pause them. Unpaid fines **freeze Qiwa, Ajeer and MHRSD services**: no new visas, transfers or permits. Serious violations can also bring **service suspensions or bans**.

FINES JUST WENT UP

SAR 3,000

per worker for keeping a passport or Iqama under the Feb 2026 schedule, **up from a fixed SAR 1,000**.

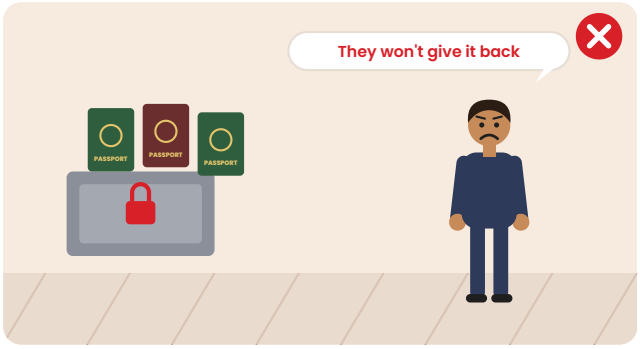
✔ RIGHT WAY



Passport stays with the worker.

✖ WRONG WAY

SAR 3K / WORKER



A locked drawer full of workers' passports.

PURPOSE

Holding passports is treated as a serious violation, fined per worker, and the Feb 2026 schedule raised it.

FIX IT WITHIN

Immediate

AUDIT CRITERIA · PASS WHEN

- No passports or Iqamas held by the employer
- Any safekeeping only with written consent
- Returned on request immediately

IDEAL WAY OF AUDITING

1. Ask HR where passports are kept
2. Open the safe
3. Ask 3 workers where theirs is

Evidence: Safe check + worker answers.

WORST CASE It's **SAR 3,000 per worker**. A drawer of 40 passports is **SAR 120,000**.

LAB-B-044 LABOUR · SAUDIZATION & WORK PERMITS · 44 OF 54

Valid Permits for Employed Dependents

Area **HR** | Person in charge **HR Manager** | Regulator **MHRSD**

MAXIMUM PENALTY

SAR 10,000

per worker · 50+ workers · SAR 10,000 (21–49) · SAR 10,000 (≤20)

× 20 workers: **SAR 200,000**

• HIGH

THE LAW

LABOUR

Saudi Labour Law (Royal Decree M/51 of 1426H, as amended) · MHRSD Schedule of Violations & Penalties, **Decision 112377 (Feb 2026)** · Section (A) **Row 20**: Employing a non-Saudi without a work permit [Serious]

WHAT WE CHECK

Family members of residents are employed only after a valid permit is obtained under the Ministry's conditions.

Applies when: Only where dependents of residents are employed

CHECKPOINTS IN THE AUDIT

Q1 When employing dependents (accompanying family members), has the employer obtained a valid permit per the Ministry's conditions and procedures?

WHAT NON-COMPLIANCE COSTS YOU

THE FINE

SAR 10,000 (50+ workers), SAR 10,000 (21–49) or SAR 10,000 (≤20) per worker. Classified **Serious** (Row 20).

BEYOND THE FINE

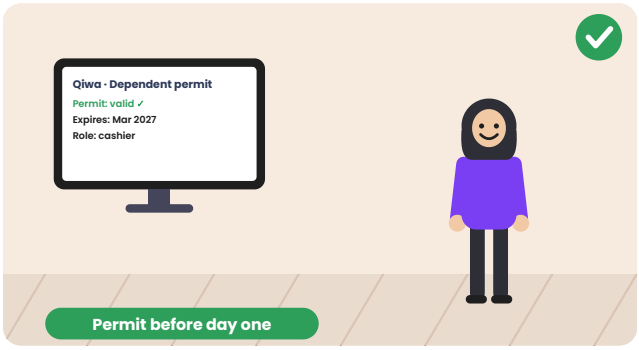
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REAL ENFORCEMENT

7,200+

work visas cancelled for non-compliant establishments by MHRSD in Q1 2026.

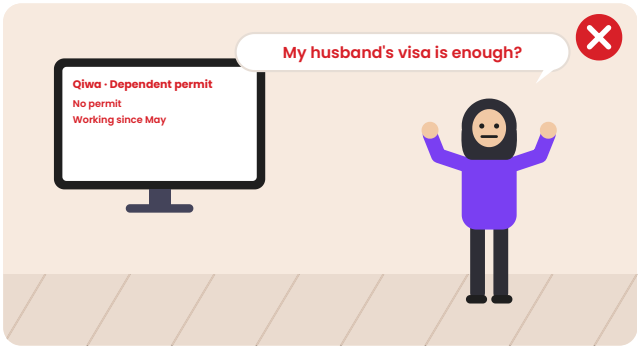
✔ RIGHT WAY



Dependent employed with a valid permit.

✖ WRONG WAY

SAR 10K / WORKER



Dependent working since May with no permit.

PURPOSE

Employing anyone without a work permit is one of the heaviest per-worker fines.

FIX IT WITHIN

Immediate

AUDIT CRITERIA · PASS WHEN

- Permit obtained before work starts
- Permit valid and matching the role
- Expiry tracked

IDEAL WAY OF AUDITING

1. List dependents employed
2. Check each permit
3. Check dates

Evidence: Permit records.

WORST CASE It's **SAR 10,000 per worker** without a permit.

LAB-B-045 LABOUR · SAUDIZATION & WORK PERMITS · 45 OF 54

Saudi-Only Occupations Respected

Area **HR · Saudization** | Person in charge **HR Manager** | Regulator **MHRSD**

MAXIMUM PENALTY

SAR 10,000

per worker · 50+ workers · SAR 5,000 (21–49) · SAR 3,000 (≤20)

× 20 workers: **SAR 200,000**

• HIGH

THE LAW

LABOUR

Saudi Labour Law (Royal Decree M/51 of 1426H, as amended) · MHRSD Schedule of Violations & Penalties, **Decision 112377 (Feb 2026)** · Section (A) **Row 29**: Employer employing non-Saudi workers in occupations or activities restricted to Saudis [Serious]

WHAT WE CHECK

No non-Saudi is employed in an occupation reserved for Saudis.

Applies when: Only where non-Saudi workers are employed

CHECKPOINTS IN THE AUDIT

Q1 Are non-Saudi workers not employed in occupations restricted to Saudis?

WHAT NON-COMPLIANCE COSTS YOU

THE FINE

SAR 10,000 (50+ workers), SAR 5,000 (21–49) or SAR 3,000 (≤20) per worker. Classified **Serious** (Row 29).

BEYOND THE FINE

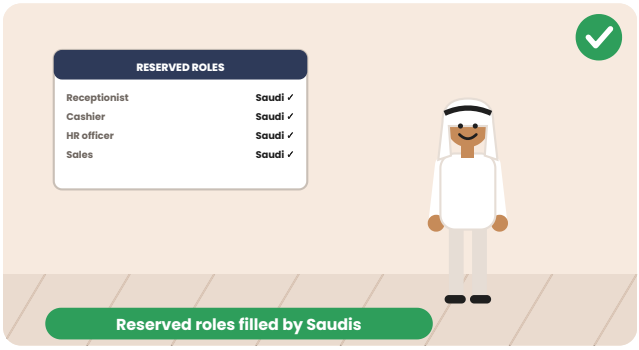
Fines are due within **60 days**, and an objection doesn't pause them. Unpaid fines **freeze Qiwa, Ajeer and MHRSD services**: no new visas, transfers or permits. Serious violations can also bring **service suspensions or bans**.

REAL ENFORCEMENT

132,000

Saudization inspection visits carried out by MHRSD in Q1 2026 alone.

✔ RIGHT WAY



Every reserved role filled by a Saudi.

✖ WRONG WAY

SAR 10K / WORKER



Non-Saudis in reception, cashier and sales roles.

PURPOSE

Localisation decisions keep adding reserved roles, including in car sales and after-sales. The fine is per worker.

FIX IT WITHIN

◷ 72 hours

AUDIT CRITERIA · PASS WHEN

- Reserved-role list up to date
- No non-Saudi in a reserved role
- Job titles match real duties

IDEAL WAY OF AUDITING

1. List current localisation decisions
2. Match to actual roles
3. Check job titles vs duties

Evidence: Role list + org chart.

WORST CASE It's **SAR 10,000 per worker**. Five non-Saudis in reserved roles is **SAR 50,000**.

LAB-B-046 LABOUR · SAUDIZATION & WORK PERMITS · 46 OF 54

Workers Employed in Permitted Occupation

Area **HR** | Person in charge **HR Manager** | Regulator **MHRSD**

MAXIMUM PENALTY

SAR 10,000

per worker · 50+ workers · SAR 5,000 (21–49) · SAR 3,000 (≤20)

× 20 workers: **SAR 200,000**

• HIGH

THE LAW

LABOUR

Saudi Labour Law (Royal Decree M/51 of 1426H, as amended) · MHRSD Schedule of Violations & Penalties, **Decision 112377 (Feb 2026)** · Section (A) **Row 21**: Non-Saudi working in an occupation different from the work permit [Not serious]

WHAT WE CHECK

Every worker does only the job on their work permit. Occupation changes are completed before they start a new role.

Applies when: Only where non-Saudi workers are employed

CHECKPOINTS IN THE AUDIT

Q1 Is each worker employed only in the occupation recorded in their work permit, with no work in another occupation before the change is completed?

WHAT NON-COMPLIANCE COSTS YOU

THE FINE

SAR 10,000 (50+ workers), SAR 5,000 (21–49) or SAR 3,000 (≤20) per worker. Classified **Not serious** (Row 21).

BEYOND THE FINE

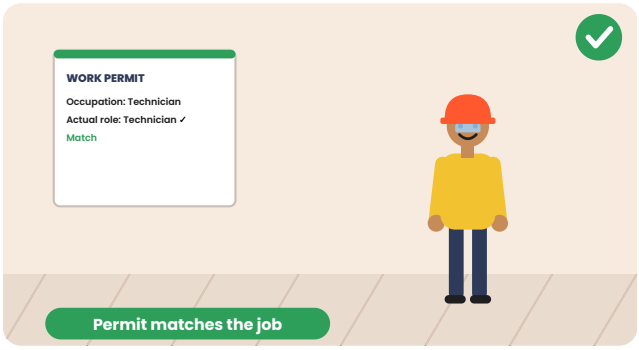
Fines are due within **60 days**, and an objection doesn't pause them. Unpaid fines **freeze Qiwa, Ajeer and MHRSD services**: no new visas, transfers or permits.

FINES JUST WENT UP

Up to 10×

The Feb 2026 schedule raised the fine for working outside the permitted occupation from SAR 300–1,000 to **SAR 3,000–10,000 per worker**.

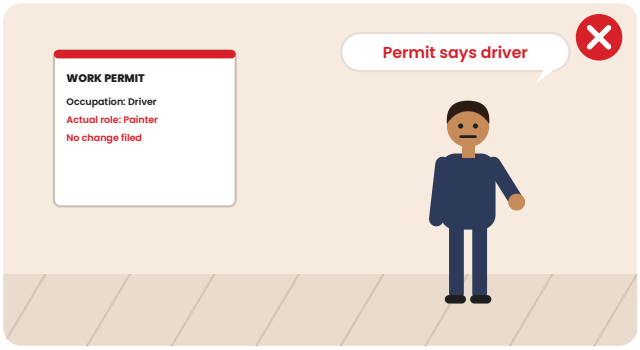
✔ RIGHT WAY



Technician working as a technician.

✖ WRONG WAY

SAR 10K / WORKER



Permit says driver, but he works in the paint shop.

PURPOSE

This fine was raised up to 10 times in Feb 2026, and it's charged per worker.

FIX IT WITHIN

◷ 72 hours

AUDIT CRITERIA · PASS WHEN

- Every worker's role matches their permit
- Occupation changes filed before role changes
- HR checks at every internal move

IDEAL WAY OF AUDITING

1. Walk the site and note roles
2. Compare with permits
3. Check pending changes

Evidence: Role vs permit comparison.

WORST CASE It's **SAR 10,000 per worker**, up from SAR 1,000. Ten mismatches is **SAR 100,000**.

LAB-B-047 LABOUR · SAUDIZATION & WORK PERMITS · 47 OF 54

Valid Work Permits for Non-Saudis

Area **HR** | Person in charge **HR Manager** | Regulator **MHRSD**

MAXIMUM PENALTY

SAR 10,000

per worker · 50+ workers · SAR 10,000 (21–49) · SAR 10,000 (≤20)

× 20 workers: **SAR 200,000**

• HIGH

THE LAW

LABOUR

Saudi Labour Law (Royal Decree M/51 of 1426H, as amended) · MHRSD Schedule of Violations & Penalties, **Decision 112377 (Feb 2026)** · Section (A) **Row 20**: Employing a non-Saudi without a work permit [Serious]

WHAT WE CHECK

Every non-Saudi works only after the Ministry has issued their work permit, with all conditions met.

Applies when: Only where non-Saudi workers are employed

CHECKPOINTS IN THE AUDIT

Q1 Does every non-Saudi worker practise work only after a work permit has been obtained from the Ministry, with the prescribed conditions met?

WHAT NON-COMPLIANCE COSTS YOU

THE FINE

SAR 10,000 (50+ workers), SAR 10,000 (21–49) or SAR 10,000 (≤20) per worker. Classified **Serious** (Row 20).

BEYOND THE FINE

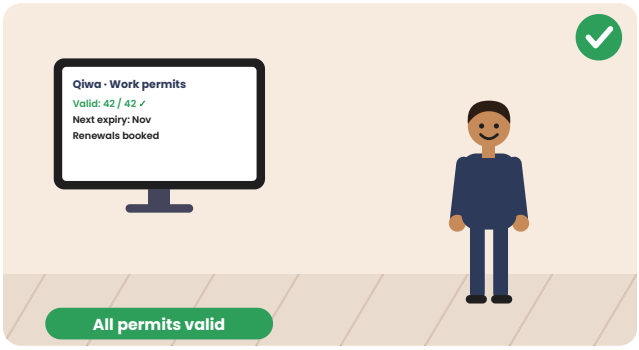
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REAL ENFORCEMENT

7,200+

work visas cancelled for non-compliant establishments by MHRSD in Q1 2026.

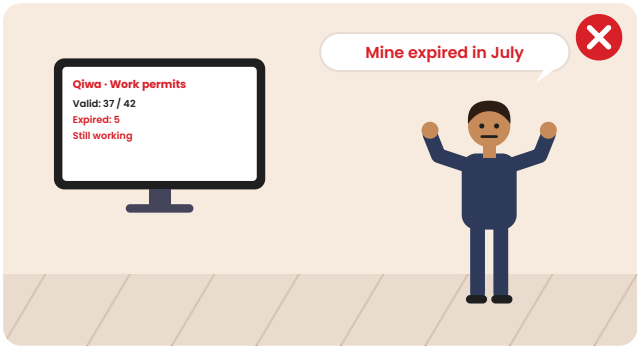
✔ RIGHT WAY



All 42 permits valid, renewals booked.

✖ WRONG WAY

SAR 10K / WORKER



Five workers still working on expired permits.

PURPOSE

Working without a permit is one of the most expensive per-worker fines, and it's the same in every category.

FIX IT WITHIN

Immediate

AUDIT CRITERIA · PASS WHEN

- Every non-Saudi has a valid permit
- Expiries tracked 60 days ahead
- No one works during a lapse

IDEAL WAY OF AUDITING

1. Run the Qiwa permit report
2. Check expiries
3. Match to attendance

Evidence: Permit report + attendance.

WORST CASE It's **SAR 10,000 per worker**, whatever your size. Five lapsed permits is **SAR 50,000**.

LAB-B-048 LABOUR · WAGES & END OF SERVICE · 48 OF 54

Employer Bears Recruitment & Permit Fees

Area **HR · Payroll** | Person in charge **HR Manager** | Regulator **MHRSD**

MAXIMUM PENALTY

SAR 3,000

per worker · 50+ workers · SAR 2,000 (21–49) · SAR 1,000 (≤20)

× 20 workers: **SAR 60,000**

• MODERATE

THE LAW

LABOUR

Saudi Labour Law (Royal Decree M/51 of 1426H, as amended) · MHRSD Schedule of Violations & Penalties, **Decision 112377 (Feb 2026)** · Section (A) **Row 32**: Employer's failure to bear the fees and costs it is obligated to pay, or charging them to the workers [Serious]

WHAT WE CHECK

The employer pays recruitment, Iqama and work permit fees and renewals, delay fines it caused, occupation change, exit/re-entry, return ticket and transfer fees. None are charged to the worker.

Applies when: Only where non-Saudi workers are employed

CHECKPOINTS IN THE AUDIT

Q1 Does the employer bear recruitment fees, Iqama and work permit fees and renewals, delay fines it caused, occupation change and exit/re-entry fees, the return ticket, and service transfer fees?

WHAT NON-COMPLIANCE COSTS YOU

THE FINE

SAR 3,000 (50+ workers), SAR 2,000 (21–49) or SAR 1,000 (≤20) per worker. Classified **Serious** (Row 32).

BEYOND THE FINE

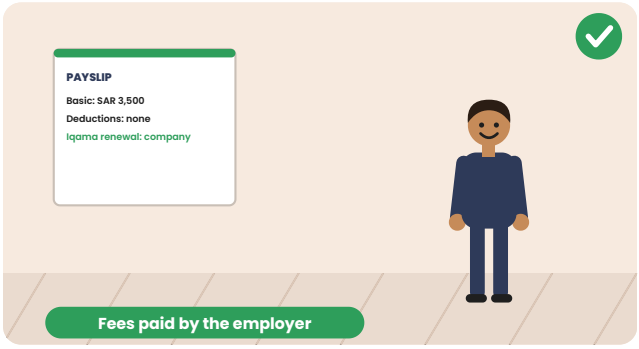
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REAL ENFORCEMENT

168,000

labour violations found in **250,000 MHRSD inspection visits** in Q1 2026 alone: two for every three visits.

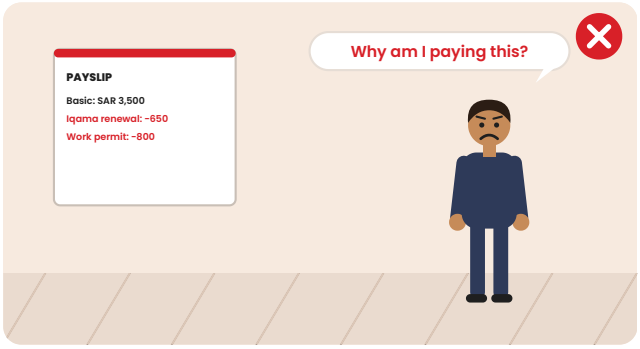
✔ RIGHT WAY



Payslip clean: Iqama and permit fees paid by the company.

✖ WRONG WAY

SAR 3K / WORKER



Iqama and permit fees deducted from the salary.

PURPOSE

Charging workers for government fees is fined per worker, and the deductions must be refunded.

FIX IT WITHIN

72 hours

AUDIT CRITERIA · PASS WHEN

- All listed fees paid by the employer
- No fee deductions on payslips
- Return tickets provided on exit

IDEAL WAY OF AUDITING

1. Check 10 payslips for deductions
2. Check fee invoices
3. Ask workers

Evidence: Payslips + fee invoices.

WORST CASE It's **SAR 3,000 per worker**. Deducting fees from 30 workers is **SAR 90,000**, plus refunds.

LAB-B-049 LABOUR · SAUDIZATION & WORK PERMITS · 49 OF 54

Minimum 4% Employment of Persons with Disabilities

Area **HR** | Person in charge **HR Manager** | Regulator **MHRSD**

MAXIMUM PENALTY

SAR 100,000

general Labour Law penalty · no specific row in the schedule

Can be **doubled on repeat**

• SEVERE

THE LAW

LABOUR

Saudi Labour Law (Royal Decree M/51 of 1426H, as amended) · MHRSD Schedule of Violations & Penalties, **Decision 112377 (Feb 2026)** · No specific row in the MHRSD schedule: general penalty provisions of the Labour Law

WHAT WE CHECK

Where the work allows, at least 4% of the workforce are qualified persons with disabilities, and the Ministry receives a statement of their roles and wages.

Applies when: Applies only to establishments with 25+ workers where the nature of work allows

CHECKPOINTS IN THE AUDIT

Q1 Does the employer employ vocationally qualified persons with disabilities amounting to at least 4% of its workforce where the work allows, and report their jobs and wages to the Ministry?

WHAT NON-COMPLIANCE COSTS YOU

THE FINE

No specific row in Decision 112377. The **general Labour Law penalty of up to SAR 100,000 per violation** applies, and can be doubled on repeat.

BEYOND THE FINE

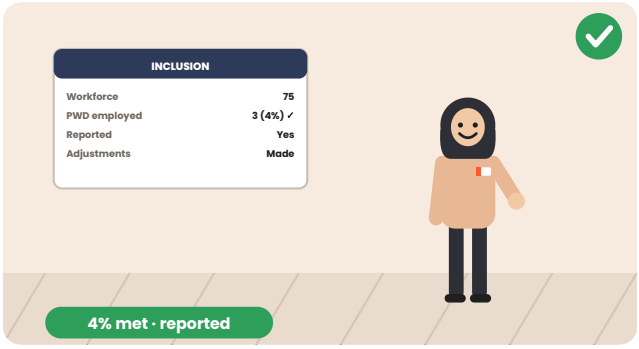
Fines are due within **60 days**, and an objection doesn't pause them. Unpaid fines **freeze Qiwa, Ajeer and MHRSD services**: no new visas, transfers or permits.

WHAT HAPPENS NEXT

60 days

to pay an MHRSD fine, and objecting doesn't pause the clock. After that, **Qiwa, Ajeer and MHRSD services are frozen**.

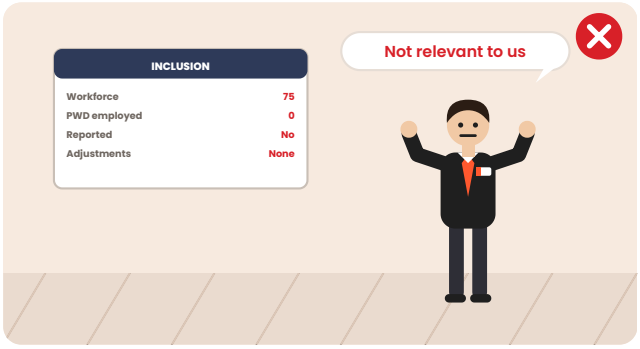
✔ RIGHT WAY



Three qualified employees with disabilities, reported to the Ministry.

✖ WRONG WAY

UP TO SAR 100K



None employed and nothing reported.

PURPOSE

The 4% rule applies to establishments with 25+ workers. Missing accommodation is also fined per arrangement.

FIX IT WITHIN

30 days

AUDIT CRITERIA · PASS WHEN

- 4% of workforce where the work allows
- Statement sent to the Ministry
- Reasonable accommodation provided

IDEAL WAY OF AUDITING

1. Count employees with disabilities
2. Check the Ministry statement
3. Check accommodations

Evidence: Headcount + statement.

WORST CASE No specific row: the **general penalty of up to SAR 100,000** applies, plus **SAR 500** per missing accommodation.

LAB-B-050 LABOUR · OCCUPATIONAL HEALTH & SAFETY · 50 OF 54

Injured Worker Re-employed in Suitable Work

Area **HR · HSE** | Person in charge **HR Manager · HSE Officer** | Regulator **MHRSD**

MAXIMUM PENALTY

SAR 3,000

per worker · 50+ workers · SAR 2,000 (21–49) · SAR 1,000 (≤20)

× 20 workers: **SAR 60,000**

• MODERATE

THE LAW

LABOUR

Saudi Labour Law (Royal Decree M/51 of 1426H, as amended) · MHRSD Schedule of Violations & Penalties, **Decision 112377 (Feb 2026)** · Section (A) **Row 56**: Failure of establishments not subject to the Occupational Hazards branch of the Social Insurance Law to provide treatment to a worker who suffers a wo… [Serious]

WHAT WE CHECK

A worker whose work injury reduces their ability, but doesn't stop them working, is given suitable work at that job's wage, without losing their compensation.

CHECKPOINTS IN THE AUDIT

Q1 Where a work injury reduces a worker's capabilities without preventing other work, does the employer re-employ them in suitable work at that job's wage, without prejudice to compensation?

WHAT NON-COMPLIANCE COSTS YOU

THE FINE

SAR 3,000 (50+ workers), SAR 2,000 (21–49) or SAR 1,000 (≤20) per worker. Classified **Serious** (Row 56).

BEYOND THE FINE

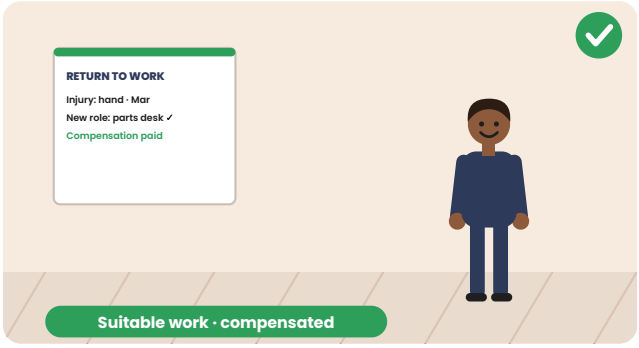
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REAL ENFORCEMENT

2 in 3

MHRSD inspection visits found a violation in Q1 2026: **168,000 violations from 250,000 visits**.

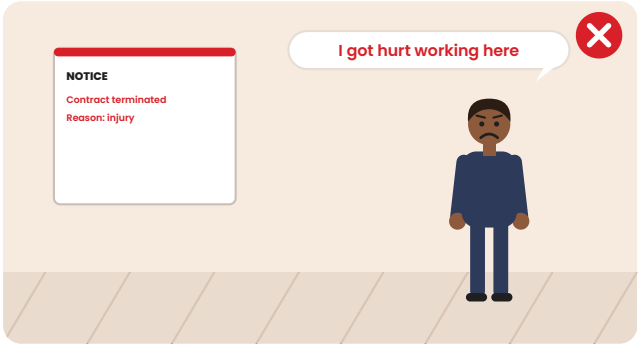
✔ RIGHT WAY



Injured technician moved to the parts desk.

✖ WRONG WAY

SAR 3K / WORKER



Worker dismissed because of a work injury.

PURPOSE

Dismissing an injured worker instead of re-deploying them is a serious violation, and it invites a court claim.

FIX IT WITHIN

7 days

AUDIT CRITERIA · PASS WHEN

- Injured workers assessed for suitable work
- Offered a role at that role's wage
- Compensation paid in full

IDEAL WAY OF AUDITING

1. List work injuries this year
2. Check outcomes
3. Check compensation

Evidence: Injury log + outcomes.

WORST CASE It's **SAR 3,000 per worker**, plus the claim a dismissed injured worker will bring.

LAB-B-051 LABOUR · WOMEN EMPLOYMENT · 51 OF 54

No Women Night Work Beyond Exemptions

Area **HR · Showroom** | Person in charge **HR Manager** | Regulator **MHRSD**

MAXIMUM PENALTY

SAR 300

per worker · 50+ workers · SAR 300 (21–49) · SAR 300 (≤20)

× 20 workers: **SAR 6,000**

• MODERATE

THE LAW

LABOUR

Saudi Labour Law (Royal Decree M/51 of 1426H, as amended) · MHRSD Schedule of Violations & Penalties, **Decision 112377 (Feb 2026)** · Section (A) **Row 15**: Night-work controls not complied with [Not serious]

WHAT WE CHECK

Women are not employed during a night period of at least 11 consecutive hours, except where a ministerial resolution allows it.

Applies when: Only where women are employed

CHECKPOINTS IN THE AUDIT

Q1 Are women not employed during a night period of not less than eleven consecutive hours, except in cases specified by a resolution of the Minister?

WHAT NON-COMPLIANCE COSTS YOU

THE FINE

SAR 300 (50+ workers), SAR 300 (21–49) or SAR 300 (≤20) per worker. Classified **Not serious** (Row 15).

BEYOND THE FINE

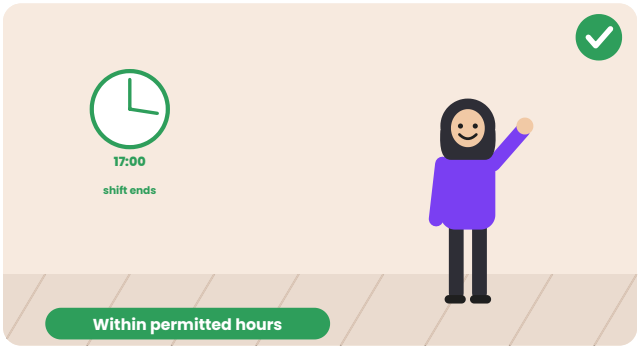
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REAL ENFORCEMENT

168,000

labour violations found in **250,000 MHRSD inspection visits** in Q1 2026 alone: two for every three visits.

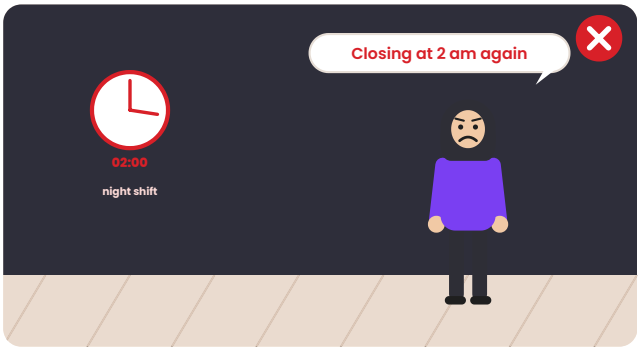
✔ RIGHT WAY



Shift ends in the early evening.

✖ WRONG WAY

SAR 300 / WORKER



Female staff closing the showroom at 2 am.

PURPOSE

Night-work rules for women are fined per worker. Check any exemption before scheduling.

FIX IT WITHIN

72 hours

AUDIT CRITERIA · PASS WHEN

- Rosters respect the night period
- Any exemption documented
- Transport and safety arranged where allowed

IDEAL WAY OF AUDITING

1. Check rosters for female staff
2. Check exemptions
3. Check late closing duties

Evidence: Rosters + exemption records.

WORST CASE It's **SAR 300 per worker**, and more if excluded categories are used at night.

LAB-B-052 LABOUR · WOMEN EMPLOYMENT · 52 OF 54

Rest Seating for Women in All Workplaces

Area **Showroom · Offices** | Person in charge **Branch / Site Manager · Facility Manager** | Regulator **MHRSD**

MAXIMUM PENALTY

SAR 300

per requirement · 50+ workers · SAR 300 (21–49) · SAR 300 (≤20)

Unpaid in 60 days: **Qiwa & Ajeer services frozen**

• MODERATE

THE LAW
LABOUR

Saudi Labour Law (Royal Decree M/51 of 1426H, as amended) · MHRSD Schedule of Violations & Penalties, **Decision 112377 (Feb 2026)** · Section (A) **Row 18**: Requirements of the Unified Work Environment Regulation not met [Not serious]

WHAT WE CHECK

Wherever women work, in every occupation, seating is provided so they can rest.

Applies when: Only where women are employed

CHECKPOINTS IN THE AUDIT

Q1 In all places where women work and in all occupations, does the employer provide seating to enable them to rest?

WHAT NON-COMPLIANCE COSTS YOU

THE FINE

SAR 300 (50+ workers), SAR 300 (21–49) or SAR 300 (≤20) per requirement. Classified **Not serious** (Row 18).

BEYOND THE FINE

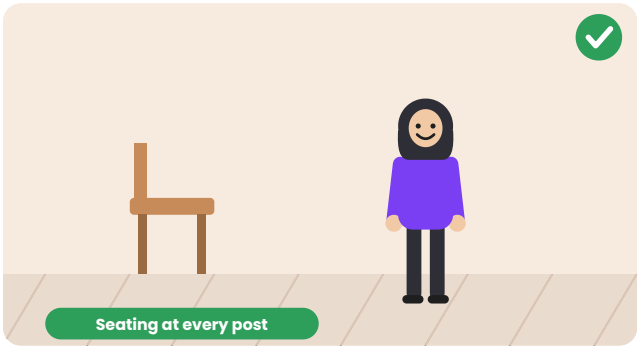
Fines are due within **60 days**, and an objection doesn't pause them. Unpaid fines **freeze Qiwa, Ajeer and MHRSD services**: no new visas, transfers or permits.

WHAT HAPPENS NEXT

60 days

to pay an MHRSD fine, and objecting doesn't pause the clock. After that, **Qiwa, Ajeer and MHRSD services are frozen**.

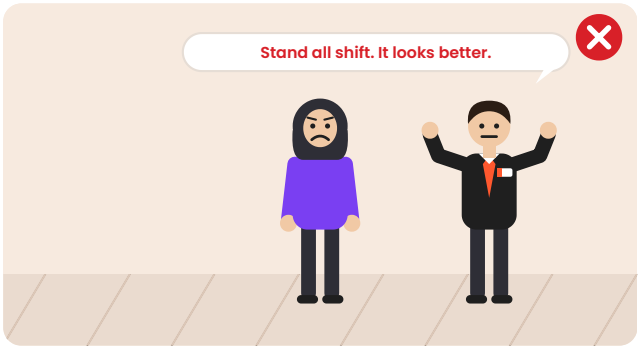
✔ RIGHT WAY



Seat provided at the reception post.

✖ WRONG WAY

SAR 300



Staff told to stand all shift "because it looks better".

PURPOSE

It's a small requirement, fined per requirement not met, and very visible.

FIX IT WITHIN

72 hours

AUDIT CRITERIA · PASS WHEN

- Seating at every post where women work
- Rest area available
- No standing-only instructions

IDEAL WAY OF AUDITING

1. Walk showroom and reception
2. Check seating
3. Ask staff

Evidence: Photos.

WORST CASE It's **SAR 300 per requirement** not met, and an avoidable complaint.

LAB-B-053 LABOUR · WOMEN EMPLOYMENT · 53 OF 54

Widow's Iddah Leave per Labour Law

Area **HR** | Person in charge **HR Manager** | Regulator **MHRSD**

MAXIMUM PENALTY

SAR 3,000

per worker · 50+ workers · SAR 2,000 (21–49) · SAR 1,000 (≤20)

× 20 workers: **SAR 60,000**

• MODERATE

THE LAW

LABOUR

Saudi Labour Law (Royal Decree M/51 of 1426H, as amended) · MHRSD Schedule of Violations & Penalties, **Decision 112377 (Feb 2026)** · Section (A) **Row 42**: Establishment's failure to comply with the statutory leave entitlements of workers [Not serious]

WHAT WE CHECK

A female worker whose husband dies gets paid Iddah leave: at least 4 months and 10 days for a Muslim worker (extendable unpaid if pregnant), 15 days for a non-Muslim.

Applies when: Only where women are employed

CHECKPOINTS IN THE AUDIT

Q1 Is a female worker whose husband dies granted Iddah leave with full pay of at least four months and ten days (Muslim), extendable unpaid if pregnant, or fifteen days (non-Muslim)?

WHAT NON-COMPLIANCE COSTS YOU

THE FINE

SAR 3,000 (50+ workers), SAR 2,000 (21–49) or SAR 1,000 (≤20) per worker. Classified **Not serious** (Row 42).

BEYOND THE FINE

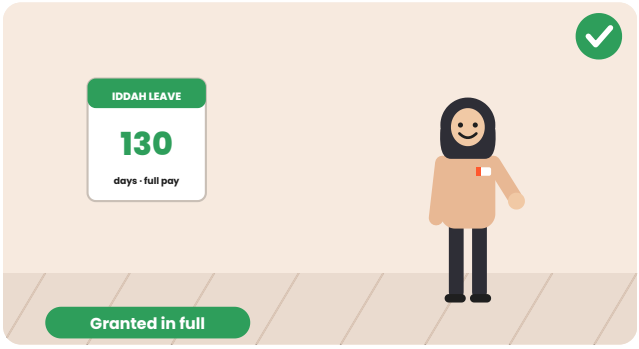
Fines are due within **60 days**, and an objection doesn't pause them. Unpaid fines **freeze Qiwa, Ajeer and MHRSD services**: no new visas, transfers or permits.

REAL ENFORCEMENT

2 in 3

MHRSD inspection visits found a violation in Q1 2026: **168,000 violations from 250,000 visits**.

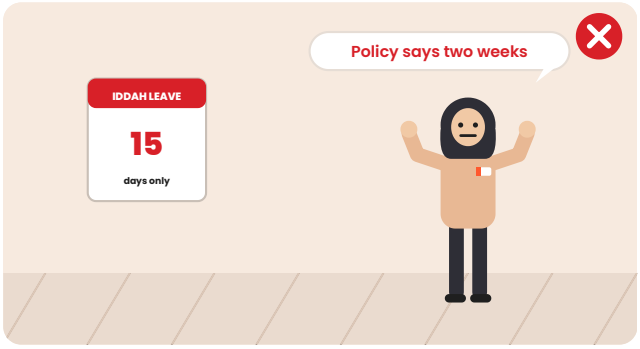
✔ RIGHT WAY



Four months and ten days granted on full pay.

✖ WRONG WAY

SAR 3K / WORKER



Only two weeks allowed "per policy".

PURPOSE

Getting this wrong hurts a worker at the worst possible time, and it's fined per worker.

FIX IT WITHIN

◷ 7 days

AUDIT CRITERIA · PASS WHEN

- Policy matches the Labour Law
- Leave granted in full with pay
- HR trained on the rule

IDEAL WAY OF AUDITING

1. Check the leave policy wording
2. Check any past cases
3. Ask HR the entitlement

Evidence: Policy + case records.

WORST CASE It's **SAR 3,000 per worker**, for a case that should never happen.

LAB-B-054 LABOUR · WOMEN EMPLOYMENT · 54 OF 54

Maternity Leave of 12 Weeks Granted

Area **HR** | Person in charge **HR Manager** | Regulator **MHRSD**

MAXIMUM PENALTY

SAR 1,000

per female worker · 50+ workers · SAR 1,000 (21–49) · SAR 1,000 (≤20)

× 20 workers: **SAR 20,000**

• MODERATE

THE LAW

LABOUR

Saudi Labour Law (Royal Decree M/51 of 1426H, as amended) · MHRSD Schedule of Violations & Penalties, **Decision 112377 (Feb 2026)** · Section (A) **Row 11**: Maternity leave not granted per Art. 151 [Serious]

WHAT WE CHECK

Female workers get 12 weeks' fully paid maternity leave, starting up to 4 weeks before the due date, and aren't employed for 6 weeks after delivery.

Applies when: Only where women are employed

CHECKPOINTS IN THE AUDIT

Q1 Is a female worker granted 12 weeks' maternity leave with full pay, starting at most four weeks before the expected delivery date, with no employment for six weeks after delivery?

WHAT NON-COMPLIANCE COSTS YOU

THE FINE

SAR 1,000 (50+ workers), SAR 1,000 (21–49) or SAR 1,000 (≤20) per female worker. Classified **Serious** (Row 11).

BEYOND THE FINE

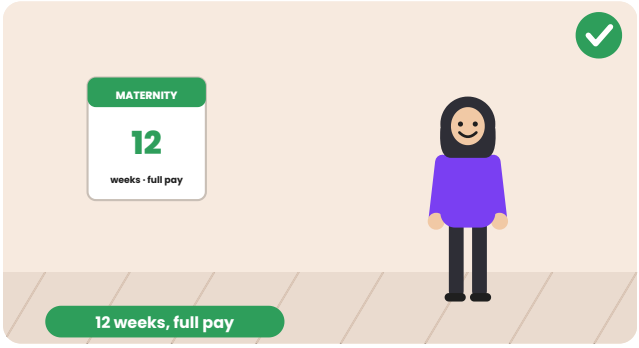
Fines are due within **60 days**, and an objection doesn't pause them. Unpaid fines **freeze Qiwa, Ajeer and MHRSD services**: no new visas, transfers or permits. Serious violations can also bring **service suspensions or bans**.

REAL ENFORCEMENT

168,000

labour violations found in **250,000 MHRSD inspection visits** in Q1 2026 alone: two for every three visits.

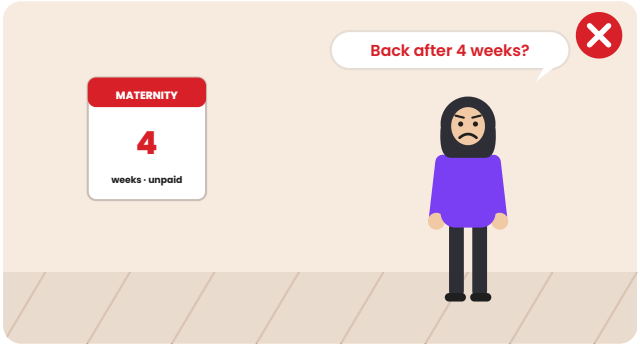
✔ RIGHT WAY



12 weeks approved on full pay.

✖ WRONG WAY

SAR 1K / WORKER



Only 4 weeks, unpaid, then told to come back.

PURPOSE

Maternity leave is classed as a serious violation and fined per female worker.

FIX IT WITHIN

◷ 72 hours

AUDIT CRITERIA · PASS WHEN

- 12 weeks' full-pay leave granted
- No work in the 6 weeks after birth
- Medical certificate on file

IDEAL WAY OF AUDITING

1. Check maternity cases this year
2. Check pay during leave
3. Check return dates

Evidence: Maternity records + payroll.

WORST CASE It's **SAR 1,000 per worker**, a Serious violation, plus the pay owed.

FIX IT BEFORE THE INSPECTOR COUNTS YOUR WORKERS

Your 30-day labour action plan.

Today · 20

- [ ] B-002 Accurate Information Provided to Ministry
- [ ] B-003 No Fictitious Saudi Registration
- [ ] B-008 Worker Documents Returned on Termination
- [ ] B-009 General Employer Duties Toward Workers
- [ ] B-011 No Trading in Work Visas
- [ ] B-012 Worker Protection from Hazards at No Cost
- [ ] B-013 Hazard Briefing & PPE Provided
- [ ] B-015 Workers Use & Maintain Protective Equipment
- [ ] B-016 Fire Prevention & Emergency Exits
- [ ] B-017 Midday Outdoor Work Ban Observed
- [ ] B-018 Safety Devices Not Misused or Disabled
- [ ] B-019 Clean Premises, Lighting & Potable Water
- [ ] B-021 Preventive & Curative Health Care Provided
- [ ] B-022 First-Aid Cabinets Equipped
- [ ] B-037 Wages Paid in Local Currency on Schedule
- [ ] B-038 Wage Protection System Payments on Time
- [ ] B-041 No Unauthorised Work for Other Parties
- [ ] B-043 Passports & Iqamas Not Retained
- [ ] B-044 Valid Permits for Employed Dependents
- [ ] B-047 Valid Work Permits for Non-Saudis

This week · 27

- [ ] B-001 Establishment Data Submitted to Ministry
- [ ] B-004 Records Kept & Working Hours Posted
- [ ] B-007 Service Certificate Issued on Termination
- [ ] B-010 Fines Register Maintained
- [ ] B-014 Safety Instructions Posted in Arabic
- [ ] B-023 Written Employment Contracts in Two Copies
- [ ] B-024 Probation Period Stated & Within Limit
- [ ] B-025 No Relocation Without Written Consent
- [ ] B-029 Daily & Weekly Working Hour Limits
- [ ] B-030 Weekly Rest Day Granted
- [ ] B-031 Annual Leave Granted per Entitlement
- [ ] B-032 Paid Public Holiday Leave
- [ ] B-033 Marriage, Bereavement & Paternity Leave
- [ ] B-034 Examination Leave Granted
- [ ] B-035 Sick Leave Paid per Law
- [ ] B-036 Hajj Leave Granted
- [ ] B-039 End-of-Service Benefit Paid Correctly
- [ ] B-040 Resignation End-of-Service Benefit Applied
- [ ] B-042 Written Fixed-Term Contracts for Non-Saudis
- [ ] B-045 Saudi-Only Occupations Respected
- [ ] B-046 Workers Employed in Permitted Occupation
- [ ] B-048 Employer Bears Recruitment & Permit Fees
- [ ] B-050 Injured Worker Re-employed in Suitable Work
- [ ] B-051 No Women Night Work Beyond Exemptions
- [ ] B-052 Rest Seating for Women in All Workplaces
- [ ] B-053 Widow's Iddah Leave per Labour Law
- [ ] B-054 Maternity Leave of 12 Weeks Granted

This month · 7

- [ ] B-005 Arabic Used in Employment Documents
- [ ] B-006 Work Organization Regulations Prepared & Announced
- [ ] B-020 Annual Medical Exams for Exposed Workers
- [ ] B-026 Saudization Plan & Replacement Register
- [ ] B-027 Required Share of Saudi Workers Trained
- [ ] B-028 Written Training Contracts
- [ ] B-049 Minimum 4% Employment of Persons with Disabilities

?/54 Count your passes, then **count the workers behind every fail**. That number, times the fine, is your exposure.

SOURCES

- MHRSD: more than 250,000 inspection visits in Q1 2026 (published 18 Jun 2026) · hrsd.gov.sa
- MHRSD Ministerial Decision 112377 (21/08/1447H), Schedule of Violations & Penalties, Section (A) · hrsd.gov.sa
- MRRORS: Saudi Arabia revises its schedule of violations and penalties (May 2026) · mrrors.org
- Saudi Labour Law (Royal Decree M/51 of 1426H, as amended) and Implementing Regulations · hrsd.gov.sa

Disclaimer. For compliance-audit guidance only; not legal advice. Amounts follow Decision 112377 Section (A); "closest match" rows should be verified. Category is based on total workers under the establishment's unified number.

AUDIT SIGN-OFF

DEALERSHIP / BRANCH	AUDITOR	DATE	SCORE __ / 54