




Sedex Members Ethical Trade Audit Report

Version 6.1



Audit Details				
Sedex Company Reference: <i>(only available on Sedex System)</i>	ZC: 1077417	Sedex Site Reference: <i>(only available on Sedex System)</i>	ZS: 1010551	
Business name (Company name):	Denim Clothing Company			
Site name:	Denim Clothing Company Unit 04			
Site address: <i>(Please include full address)</i>	Plot No H/2 A1, Sector No: 05, Korangi Industrial Area, Karachi	Country:	Pakistan	
Site contact and job title:	Mr. Muhammad Zubair, Group Manager Systems & Compliance			
Site phone:	92-21-35070661-63	Site e-mail:	compliance@denimclothing.biz	
SMETA Audit Pillars:	<input checked="" type="checkbox"/> Labour Standards	<input checked="" type="checkbox"/> Health & Safety (plus Environment 2-Pillar)	<input type="checkbox"/> Environment 4-pillar	<input type="checkbox"/> Business Ethics
Date of Audit:	26 -27 December, 2019			

Audit Company Name & Logo:  SGS Pakistan (Pvt) Ltd	Report Owner (payer): <i>(If paid for by the customer of the site please remove for Sedex upload)</i> Denim Clothing Company
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Audit Conducted By					
Affiliate Audit Company	<input checked="" type="checkbox"/>	Purchaser	<input type="checkbox"/>	Retailer	<input type="checkbox"/>
Brand owner	<input type="checkbox"/>	NGO	<input type="checkbox"/>	Trade Union	<input type="checkbox"/>
Multi-stakeholder	<input type="checkbox"/>	Combined Audit (select all that apply)			

Audit Content:

(1) A SMETA audit was conducted which included some or all of Labour Standards, Health & Safety, Environment and Business Ethics. The SMETA Best Practice Version 6.1 was applied. The scope of workers included all types at the site e.g. direct employees, agency workers, workers employed by service providers and workers provided by other contractors. Any deviations from the SMETA Methodology are stated (with reasons for deviation) in the SMETA Declaration.

(2) The audit scope was against the following reference documents

2-Pillar SMETA Audit

- ETI Base Code
- SMETA Additions
 - Universal rights covering UNGP
 - Management systems and code implementation,
 - Responsible Recruitment
 - Entitlement to Work & Immigration,
 - Sub-Contracting and Home working,

4-Pillar SMETA

- 2-Pillar requirements plus
- Additional Pillar assessment of Environment
- Additional Pillar assessment of Business Ethics
- The Customer's Supplier Code (Appendix 1)

(3) Where appropriate non-compliances were raised against the ETI code / SMETA Additions & local law and recorded as non-compliances on both the audit report, CAPR and on Sedex.

(4) Any Non-Compliance against customer code shall not be uploaded to Sedex. However, in the CAPR these 'Variances in compliance between ETI code / SMETA Additions/ local law and customer code' shall be noted in the observations section of the CAPR.

SMETA Declaration

I declare that the audit underpinning the following report was conducted in accordance with SMETA Best Practice Guidance and SMETA Measurement Criteria.

- (1) Where appropriate non-compliances were raised against the ETI code / SMETA Additions & local law and recorded as non-compliances on both the audit report, CAPR and on Sedex.
- (2) Any Non-Compliance against customer code alone shall not be uploaded to Sedex. However, in the CAPR these 'Variances in compliance between ETI code / SMETA Additions/ local law and customer code' shall be noted in the observations section of the CAPR.

Any exceptions to this must be recorded here (e.g. different sample size):

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

Lead auditor: Jameel Khatri

APSCA number: 21701539

Lead auditor APSCA status: RA

Team auditor: Taj Hussain / Razziq Muhammad

APSCA number: 21701288 / 21703333

Interviewers: Taj Hussain / Razziq Muhammad

APSCA number: 21701288 / 21703333

Report writer: Jameel Khatri

Report reviewer: Sadaf Pyarali

Date of declaration: 27 – 28 December, 2019

Note: The focus of this ethical audit is on the ETI Base Code and local law. The additional elements will not be audited in such depth or scope, but the audit process will still highlight any specific issues.

This report provides a summary of the findings and other applicable information found/gathered during the social audit conducted on the above date only and does not officially confirm or certify compliance with any legal regulations or industry standards. The social audit process requires that information be gathered and considered from records review, worker interviews, management interviews and visual observation. More information is gathered during the social audit process than is provided here. The audit process is a sampling exercise only and does not guarantee that the audited site prior, during or post-audit, are in full compliance with the Code being audited against. The provisions of this Code constitute minimum and not maximum standards and this Code should not be used to prevent companies from exceeding these standards. Companies applying this Code are expected to comply with national and other applicable laws and where the provisions of law and this Code address the same subject, to apply that provision which affords the greater protection. The ownership of this report remains with the party who has paid for the audit. Release permission must be provided by the owner prior to release to any third parties.

Summary of Findings

Issue (please click on the issue title to go direct to the appropriate audit results by clause) <i>Note to auditor, please ensure that when issuing the audit report, hyperlinks are retained.</i>		Area of Non-Conformity (Only check box when there is a non-conformity, and only in the box/es where the non-conformity can be found)				Record the number of issues by line*:			Findings (note to auditor, summarise in as few words as possible NCs, Obs and GE)
		ETI Base Code	Local Law	Additional Elements	Customer Code	NC	Obs	GE	
0A	Universal Rights covering UNGP			<input checked="" type="checkbox"/>	<input type="checkbox"/>		01		<ul style="list-style-type: none"> OB: Factory has not defined and explicitly communicated the United Nation Guiding principles on Business and Human Right Implementing the United Nations "Protect, Respect and Remedy" Framework in the factory and through its supply chain
0B	Management systems and code implementation		<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	01	01		<ul style="list-style-type: none"> Inadequate communication / training of workers on ethical code / customer code as during worker interview, 10 out of 62 workers interviewed were not aware of the ETI code and were not aware it was posted in the factory in local language OB: No risk assessment has been conducted to evaluate the effectiveness of the company policy and procedure
1.	Freely chosen Employment	<input type="checkbox"/>	<input type="checkbox"/>		<input type="checkbox"/>				<ul style="list-style-type: none">

2	<u>Freedom of Association</u>	<input type="checkbox"/>	<input type="checkbox"/>		<input type="checkbox"/>				• •
3	<u>Safety and Hygienic Conditions</u>	<input type="checkbox"/>	<input checked="" type="checkbox"/>		<input type="checkbox"/>	07			<ul style="list-style-type: none"> • Rubber mat was missing under the electric panel in production area • Pathways were found partially blocked in production area first floor • First aid supplies found insufficient in first aid box in stitching section first floor • Finger guard and pulley cover not installed in stitching machine checked 12 out of 20. Also, nozzle guard missing with pressured air pipes on production floor, Insulation missing with steam press in pressing section • Few cutting workers were not wearing face mask. Few workers in embroidery section were not wearing earplugs • Drinking water point not marked with water coolers on production floor • Male worker's canteen was found untidy and unhygienic as garbage was placed over the dining tables
4	<u>Child Labour</u>	<input type="checkbox"/>	<input type="checkbox"/>		<input type="checkbox"/>				• •
5	<u>Living Wages and Benefits</u>	<input type="checkbox"/>	<input type="checkbox"/>		<input type="checkbox"/>				• •
6	<u>Working Hours</u>	<input type="checkbox"/>	<input type="checkbox"/>		<input type="checkbox"/>				•

									•
7	<u>Discrimination</u>	<input type="checkbox"/>	<input type="checkbox"/>		<input type="checkbox"/>				• •
8	<u>Regular Employment</u>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>				• •
8A	<u>Sub-Contracting and Homeworking</u>		<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>				• •
9	<u>Harsh or Inhumane Treatment</u>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>				• •
10A	<u>Entitlement to Work</u>		<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>				• •
10B2	<u>Environment 2-Pillar</u>		<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>				• •
10B4	<u>Environment 4-Pillar</u>		<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>				• •
10C	<u>Business Ethics</u>		<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>				• •

General observations and summary of the site:

Denim Clothing Company Unit 4 is a manufacturer of Denim Bottoms established in the year 2004; Factory is situated in Korangi Industrial Area Karachi. Factory has 01 building block

**Please note the table above records the total number of Non-compliances (NC), Observations (Obs) and Good Examples (GE). This gives the reviewer an indication of problem areas but does not detail severities of each issue – Reviewers need to check audit results by clause.*

Site Details

Site Details																				
A: Company Name:	Denim Clothing Company																			
B: Site name:	Denim Clothing Company Unit 04																			
C: GPS location: (If available)	GPS Address:	Latitude: 67.09769044 Longitude: 2484066018																		
D: Applicable business and other legally required licence numbers and documents, for example, business license number, liability insurance, any other required government inspections	NTN No: 2134435-3 Labour Reg. No. CMI-34(R-1555)/2008																			
E: Products/Activities at site, for example, garment manufacture, electricals, toys, grower, cutting, sewing, packing etc	Manufacturer & Exporter of Denim Garments																			
F: Site description: (Include size, location, and age of site. Also, include structure and number of buildings)	<p>Denim Clothing Company unit 4 is a manufacturer of Denim Bottoms established in the year 2004. It has cut to pack operations, mainly exporting to US & EU Countries; Factory is situated in Korangi Industrial Area Karachi. Factory has 01 building block</p> <table border="1"> <thead> <tr> <th>Production Building no</th> <th>Description</th> <th>Remark, if any</th> </tr> </thead> <tbody> <tr> <td>Ground Floor</td> <td>Cutting, Fabric Store, Embroidery, Finishing, Sampling, Offices</td> <td>NIL</td> </tr> <tr> <td>Mezzanine Floor</td> <td>Office, Numbering and Bundling Section</td> <td>NIL</td> </tr> <tr> <td>Floor 1</td> <td>Stitching Section</td> <td>NIL</td> </tr> <tr> <td>Floor 2</td> <td>Finishing, Canteen for Male and Female workers</td> <td>NIL</td> </tr> <tr> <td>Is this a shared building?</td> <td>No</td> <td>NIL</td> </tr> </tbody> </table> <p>For below, please add any extra rows if appropriate.</p> <p>F1: Visible structural integrity issues (large cracks) observed? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No</p> <p>F2: Please give details:</p> <p>F3: Does the site have a structural engineer evaluation? <input checked="" type="checkbox"/> Yes</p>		Production Building no	Description	Remark, if any	Ground Floor	Cutting, Fabric Store, Embroidery, Finishing, Sampling, Offices	NIL	Mezzanine Floor	Office, Numbering and Bundling Section	NIL	Floor 1	Stitching Section	NIL	Floor 2	Finishing, Canteen for Male and Female workers	NIL	Is this a shared building?	No	NIL
Production Building no	Description	Remark, if any																		
Ground Floor	Cutting, Fabric Store, Embroidery, Finishing, Sampling, Offices	NIL																		
Mezzanine Floor	Office, Numbering and Bundling Section	NIL																		
Floor 1	Stitching Section	NIL																		
Floor 2	Finishing, Canteen for Male and Female workers	NIL																		
Is this a shared building?	No	NIL																		

	<input type="checkbox"/> No F4: Please give details: Factory building was evaluated by structural engineers from SH Consultants, evaluating engineer was Mr. Shabir Hussain Licence NO SE-06-21. As per comments building and materials is satisfied that the margin of safety is in accordance with the recognized standards required by architects and builders association.
G: Site function:	<input type="checkbox"/> Agent <input checked="" type="checkbox"/> Factory Processing/Manufacturer <input type="checkbox"/> Finished Product Supplier <input type="checkbox"/> Grower <input type="checkbox"/> Homeworker <input type="checkbox"/> Labour Provider <input type="checkbox"/> Pack House <input type="checkbox"/> Primary Producer <input type="checkbox"/> Service Provider <input type="checkbox"/> Sub-Contractor
H: Month(s) of peak season: (if applicable)	Consistent
I: Process overview: (Include products being produced, main operations, number of production lines, main equipment used)	<p>Products: Denim Clothing Company Unit 04 is a manufacturer and exporter of Denim & Woven Garments including, shorts, Cargo shorts, Basic Five Pockets.</p> <p>Main Operation: The process work flow found in the factory was receiving fabric, cutting, sewing, embroidery, checking, packing and dispatch.</p> <p>Main Equipment: Factory has 740 single needle, 170 double needle, 223 safety machines, 57 feedo, 76 Bartack Computer, 50 Rivet buttoning, 04 Flat lock, 13 straight knives hand cutting machine, all the machines were found in good working condition.</p> <p>Factory has own power generators for 2.33 MV.</p>
J: What form of worker representation / union is there on site?	<input type="checkbox"/> Union (name) <input checked="" type="checkbox"/> Worker Committee <input type="checkbox"/> Other (specify) <input type="checkbox"/> None
K: Is there any night production work at the site?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
L: Are there any on site provided worker accommodation buildings e.g. dormitories	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No L1: If yes, approx. % of workers in on site accommodation
M: Are there any off site provided worker accommodation buildings	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No

	M1: If yes, approx. % of workers
N: Were all site-provided accommodation buildings included in this audit	<input type="checkbox"/> Yes <input type="checkbox"/> No N1: If no, please give details Not Applicable

Audit Parameters			
A: Time in and time out	A1: Day 1 Time in: 9:15 A2: Day 1 Time out: 18:30	A3: Day 2 Time in: 9:20 A4: Day 2 Time out: 18:30	A5: Day 3 Time in: A6: Day 3 Time out:
B: Number of auditor days used:	01 Auditor in Day 01 & 03 Auditors in Day 02 = 04 Man-days		
C: Audit type:	<input type="checkbox"/> Full Initial <input checked="" type="checkbox"/> Periodic <input type="checkbox"/> Full Follow-up <input type="checkbox"/> Partial Follow-Up <input type="checkbox"/> Partial Other If other, please define		
D: Was the audit announced?	<input type="checkbox"/> Announced <input checked="" type="checkbox"/> Semi – announced: Window detail: 4 weeks (10 Dec 2019 – 7 Jan 2020) <input type="checkbox"/> Unannounced		
E: Was the Sedex SAQ available for review?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No E1: If No, why not?		
F: Any conflicting information SAQ/Pre-Audit Info to Audit findings?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No If Yes , please capture detail in appropriate audit by clause		
G: Who signed and agreed CAPR (Name and job title)	Muhammad Zubair, Group Manager System & Compliance		
H: Is further information available (If yes, please contact audit company for details)	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No		
I: Previous audit date:	16 – 17 January, 2019		
J: Previous audit type:	SMETA 2.0 Pillar Ver 6.0		
K: Were any previous audits reviewed for this audit	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A		

Audit attendance	Management	Worker Representatives	
	Senior management	Worker Committee representatives	Union representatives

A: Present at the opening meeting?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
B: Present at the audit?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
C: Present at the closing meeting?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
D: If Worker Representatives were not present please explain reasons why (only complete if no worker reps present)	<p>Worker committee were present during this audit; included in factory tour and also present at closing meeting.</p> <p>Management also claimed that they would communicate the outcome of the audit to the workers through display on notice board and would discuss at next worker committee meeting</p>		
E: If Union Representatives were not present please explain reasons why: (only complete if no union reps present)	<p>No Union present in the factory; factory has workers welfare council.</p>		

Worker Analysis

The term "migrant worker" refers to a person who is engaged or has been engaged in a remunerated activity in a country of which they are not a national or permanent resident or has purposely migrated on a temporary basis to another in-country region to seek and engage in a remunerated activity.

Worker Analysis								
	Local			Migrant*				Total
	Permanent	Temporary	Agency	Permanent	Temporary	Agency	Home workers	
Worker numbers – Male	2241	00	00	00	00	00	00	2241
Worker numbers – female	405	00	00	00	00	00	00	405
Total	2646	00	00	00	00	00	00	2646
Number of Workers interviewed – male	47	00	00	00	00	00	00	47
Number of Workers interviewed – female	15	00	00	00	00	00	00	15
Total – interviewed sample size	62	00	00	00	00	00	00	62



A: Nationality of Management	Pakistani	
B: Please list the nationalities of all workers, with the three most common nationalities listed first. <i>Please add more nationalities as applicable to site. Add more rows if required.</i>	Nationalities: B1: Nationality 1: Pakistani B2: Nationality 2: _____ B3: Nationality 3: _____	Was the list completed during peak season? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No If no, please describe how this may vary during peak periods:
C: Please provide more information for the three most common nationalities.	C: approx % total workforce: Nationality 1 100% C1: approx % total workforce: Nationality 2 _____ C2: approx % total workforce: Nationality 3 _____	
D: Worker remuneration (management information)	D: 5% workers on piece rate D1: _____% hourly paid workers D2: 95% salaried workers Payment cycle: D3: _____% daily paid D4: _____% weekly paid D5: 95% monthly paid D6: 05% other D7: If other, please give details Fortnightly for Piece rate workers	



Worker Interview Summary		
A: Were workers aware of the audit?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	
B: Were workers aware of the code?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	
C: Number of group interviews: (Please specify number and size of groups. Please see SMETA Best Practice Guidance and Measurement Criteria. If the auditor was not able to follow the BPG, please state within the declaration)	08 Groups of 05 Workers	
D: Number of individual interviews (Please see SMETA Best Practice Guidance and Measurement Criteria)	D1: Male: 15	D2: Female: 07
E: All groups of workers are included in the scope of this audit such as; Direct employees, Casual and agency workers, Workers employed by service providers such as security and catering staff as well as workers supplied by other contractors. <i>Note to auditor: please record details of migrant /agency/contractor workers in section 8 – Regular Employment, under Responsible Recruitment</i>	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No If no, please give details	
F: Interviews were done in private and the confidentiality of the interview process was communicated to the workers?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	
G: In general, what was the attitude of the workers towards their workplace?	<input checked="" type="checkbox"/> Favourable <input type="checkbox"/> Non-favourable <input type="checkbox"/> Indifferent	
H: What was the most common worker complaint?	No specific complaint was noted by the workers, except female workers complained about the transport timing and drop off locations	
I: What did the workers like the most about working at this site?	Onetime Payments, regular work and free of cost transport facility	
J: Any additional comment(s) regarding interviews:	NIL	
K: Attitude of workers to hours worked:	Workers were satisfied with hours of work no worker complained about excessive working hours in the factory	
L. Is there any worker survey information available?		
<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No		

L1: If yes, please give details:

M: Attitude of workers:

(Include their attitude to management, workplace, and the interview process. Both positive and negative information should be included) Note: Do not document any information that could put workers at risk

This was semi-unannounced audit, conducted by 03 auditors (01 Auditor in Day 01 & 3 Auditors in Day 02). Management allowed SGS auditors full access to the factory, documentation and workers interview. Auditors conducted confidential interviews with workers who were freely selected on their respective production sites, also workers were randomly selected from time sheet and payment record. Confidential interview was conducted with 62 workers randomly selected from different departments. Out of 62 workers, 22 workers were interviewed individually, and 40 workers were interviewed in 8 groups of 5 workers each. The overall attitude of workers towards management was positive; workers were happy with on time payment and conducive working environment of the factory. Overall workers were found very happy and satisfied while working in this factory

N: Attitude of worker's committee/union reps:

(Include their attitude to management, workplace, and the interview process. Both positive and negative information should be included) Note: Do not document any information that could put workers at risk

Work council representatives were found happy and comfortable with management attitude towards rectification of issues highlighted by work council representatives

O: Attitude of managers:

(Include attitude to audit, and audit process. Both positive and negative information should be included)

Facility management was found very co-operative and positive towards audit process and showed commitment to fulfil all pointed out non-conformances on immediate basis

Audit Results by Clause

0A: Universal Rights covering UNGP

[\(Click here to return to summary of findings\)](#)

0.A. Guidance for Observations

0.A.1 Businesses should have a policy, endorsed at the highest level, covering human rights impacts and issues, and ensure it is communicated to all appropriate parties, including its own suppliers.

0.A.2 Businesses should have a designated person responsible for implementing standards concerning Human rights

0.A.3 Businesses shall identify their stakeholders and salient issues.

0.A.4 Businesses shall measure their direct, indirect, and potential impacts on stakeholders (rights holders) human rights.

0.A.5 Where businesses have an adverse impact on human rights within any of their stakeholders, they shall address these issues and enable effective remediation.

0.A.6 Businesses shall have a transparent system in place for confidentially reporting, and dealing with human rights impacts without fear of reprisals towards the reporter.

Note for auditors and readers. This is not a full Human Rights Assessment, but instead a check on the business's implementation of processes to meet their Universal rights covering UNGP responsibilities.

Current Systems and Evidence Examined

To complete 'current systems' Auditors examine policies and written procedures in conjunction with relevant managers, to understand, and record what controls and processes are currently in place e.g. record what policies are in place, what relevant procedures are carried out, who is /are responsible for the management of this item of the code. Evidence checked should detail any documentary or verbal evidence shown to support the systems.

Current systems:

- Factory has not defined and explicitly communicated the United Nation Guiding principles on Business and Human Right Implementing the United Nations "Protect, Respect and Remedy" Framework in the factory and through its supply chain
- Factory has defined policy and procedure for compliance with core Human right principles and local laws like child labour, Force Labour, Freedom of association, Payment of wages and decent work environment
- Mr. Muhammad Zubair Group Manager Systems & Compliance is responsible for compliance with local laws and Human rights issues in the factory
- Facility management was found aware of local law requirements concerning, Human Rights etc moreover facility obtains law updates from labour department
- The factory has taken written commitment from all its suppliers and contractors to comply with local laws and core Human Rights principles

Evidence examined – to support system description (Documents examined & relevant comments. Include renewal/expiry date where appropriate):

Details:

HR Policies and Procedures
Law updates.
Job description of compliance manager
Internal audit reports
Employees Handbook

Any other comments: NIL

A: Policy statement that expresses commitment to respect human rights?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No A1: Please give details: Factory has not defined and explicitly communicated the United Nation Guiding principles on Business and Human Right Implementing the United Nations "Protect, Respect and Remedy" Framework in the factory and through its supply chain.
B: Does the business have a designated person responsible for implementing standards concerning Human Rights?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No Please give details: Name: Mr. Muhammad Zubair, Job title: Group Manager Systems & Compliance
C: Does the business have a transparent system in place for confidentially reporting, and dealing with human rights impacts without fear of reprisals towards the reporter?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No C1: Please give details: Suggestion and complaint boxes are mounted at several locations where workers can report any concern anonymously
D: Does the grievance mechanism meet UNGP expectations? (Legitimate, Accessible, Predictable, Equitable, Transparent, Rights-compatible, a source of continuous learning and based on stakeholder engagement)	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No D1: If no, please give details
E: Does the business demonstrate effective data privacy procedures for workers' information, which is implemented?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No E1: Please give details: Personal data confidentiality clause found written on workers employment contract.

Findings		
Finding: Observation <input checked="" type="checkbox"/>	Company NC <input type="checkbox"/>	Objective evidence observed: Documents Review
Description of observation: Factory has not defined and explicitly communicated the United Nation Guiding principles on Business and Human Right Implementing the United Nations "Protect, Respect and Remedy" Framework in the factory and through its supply chain		
Local law or ETI/Additional elements / customer specific requirement: A: Policy statement that expresses commitment to respect human rights?		
Comments: Factory should make policy and communicate this to all workers, factory management ensured to provide training to workers		

Good examples observed:	
Description of Good Example (GE): NIL	Objective Evidence Observed: NIL

Measuring Workplace Impact

Workplace Impact		
A: Annual worker turnover: Number of workers leaving in last 12 months as a % of average total number of workers on site over the year (annual worker turnover)	A1: Last year: 7 %	A2: This year 6 %
B: Current % quarterly (90 days) turnover: Number of workers leaving from the first day of the 90 days period through to the last day of the 90 day period / [(number of employees on the 1 st day of 90 day period + number of employees on the last day of the 90 day period) / 2]	5%	
C: Annual % absenteeism: Number of days lost through job absence in the year / [(number of employees on 1 st day of the year + number employees on the last day of the year) / 2] * number available workdays in the year	C1: Last year: 10 %	C2: This year 9 %
D: Quarterly (90 days) % absenteeism: Number of days lost through job absence in the period / [(Number of employees on 1 st of the period + Number of employees on the last day of the period) / 2] * Number of available workdays in the month	5%	
E: Are accidents recorded?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No E1: Please describe: Management keeps a record of accidents and injury log is maintained for the accidents and injuries, minor injuries of first aid nature were observed in the factory for the last one year, no major or days lost was noted	
F: Annual Number of work related accidents and injuries per 100 workers: [(Number of work related accidents and injuries * 100) / Number of total workers]	F1: Last year: Number: 03	F2: This year: Number: 03
G: Quarterly (90 days) number of work related accidents and injuries per 100 workers: [(Number of work related accidents and injuries * 100) / Number of total workers]	02	
H: Lost day work cases per 100 workers: [(Number of lost days due to work accidents and work related injuries * 100) / Number of total workers]	H1: Last year: 01	H2: This year: 01
I: % of workers that work on average more than 48 standard hours / week in the last 6 / 12 months:	I1: 6 months 00% workers	I2: 12 months 00% workers

J: % of workers that work on average more than 60 total hours / week in the last 6 / 12 months:	J1: 6 months 00% workers	J2: 12 months 00% workers
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0B: Management system and Code Implementation

[\(Click here to return to summary of findings\)](#)

- 0.B.1 Suppliers are expected to implement and maintain systems for delivering compliance to this Code.
- 0.B.2 Suppliers are expected to be operating legally in premises with the correct business licenses and permissions and to have systems to ensure that all relevant land rights have been complied with
- 0.B.3 Suppliers shall appoint a senior member of management who shall be responsible for compliance with the Code.
- 0.B.4 Suppliers are expected to communicate this Code to all employees.
- 0.B.5 Suppliers should communicate this code to their own suppliers and, where reasonably practicable, extend the principles of this Ethical Code through their supply chain.

Current Systems and Evidence Examined

To complete 'current systems' Auditors examine policies and written procedures in conjunction with relevant managers, to understand, and record what controls and processes are currently in place e.g. record what policies are in place, what relevant procedures are carried out, who is/are responsible for the management of this item of the code. Evidence checked should detail any documentary or verbal evidence shown to support the systems.

Current systems:

- Factory has established, documented, maintained and effectively communicated social compliance policy and procedure in the factory. As per policy factory is committed to provide a work place environment complying and compatible with all applicable laws. The facility discourages discrimination, employment of child and forced labour, harassment/abuse or corporal punishment and all other activities that contradict with local laws and buyer's code of conduct.
- Factory has displayed the ETI code in the factory for awareness of the workers in local language
- Local government departments like Labour department and Civil defence departments are conducting annual inspections at the factory.
- Facility management was found aware of local law requirements concerning child labour, wages, hours of work, health and safety, environments etc moreover facility obtains law updates from labour department.
- Facility has appointed Mr. Muhammad Zubair Group Manager Compliance to ensure implementation of local law and international labour standards requirement and during interview Mr. Muhammad Zubair Group Manager Compliance found well aware of all requirements.
- Facility is conducting internal audits on quarterly basis to ensure effectiveness of social policy and procedure.
- The factory has taken written commitment from all its suppliers to comply with social compliance code of conduct.
- In the last 12 months, facility has not been subject to any fines / prosecution for noncompliance confirmed during management interviews.
- Factory is also WRAP. ISO 9001:2015, BSCI Certified, GOTS

Evidence examined – to support system description (Documents examined & relevant comments. Include renewal/expiry date where appropriate):

Details:

- Social compliance policy and procedure manual
- Law updates minimum wage revision.

- Job description of compliance manager
- Internal audit reports
- Company policies
- Training records

Any other comments: NIL

Management Systems:	
A: In the last 12 months, has the site been subject to any fines/prosecutions for non-compliance to any regulations?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No A1: Please give details: Auditor checked this through internet news and no fines/prosecutions was noted.
B: Do policies and/or procedures exist that reduce the risk of forced labour, child labour, discrimination, harassment & abuse?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No B1: Please give details: Facility has defined policies and procedures on social compliance manual.
C: If Yes, is there evidence (an indication) of effective implementation? Please give details.	Policies exist for all areas (child labour, forced labour, Health and Safety, Living Wage, Working Hours, no harsh treatment, Environment and Business Ethics); these are communicated to workers via poster and bi annual trainings last was conducted dated 05-12-2019.
D: Have managers and workers received training in the standards for forced labour, child labour, discrimination, harassment & abuse?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No D1: Please give details: Standards on 'Forced labour' and 'No harsh treatment' 'child labour' were communicated to manager / workers through posters and bi annual trainings last was conducted dated 21-12-2019.
E: If Yes, is there evidence (an indication) that training has been effective e.g. training records etc.? Please give details	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No E1: Please give details: Orientation training to all new hires. Bi annual training sessions last was conducted on 21-12-2019. Workers were found familiar with facility policies during worker interviews.
F: Does the site have any internationally recognised system certifications e.g. ISO 9000, 14000, OHSAS 18000, SA8000 (or other social audits). Please detail (Number and date).	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No F1: Please give details: BSCI: DBID Number 10561 valid till 20 February, 2020 IMS certificate number 14757 valid till 25 August, 2020

	WRAP Certificate number 16897 valid till 02 December, 2020
G: Is there a Human Resources manager/department? If Yes, please detail.	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No G1: Please give details: Mr. Shahzad Memon, Manager Administrations & HR of the factory who is responsible for overall HR matters.
H: Is there a senior person / manager responsible for implementation of the code	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No H1: Please give details: Mr. Muhammad Zubair, Group Manager Systems & Compliance
I: Is there a policy to ensure all worker information is confidential?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No I1: Please give details: Workers personal data confidentiality clause found written on worker's employment contract.
J: Is there an effective procedure to ensure confidential information is kept confidential?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No J1: Please give details: Worker information / personal files are kept under lock and key at HR office.
K: Are risk assessments conducted to evaluate policy and procedure effectiveness?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No K1: Please give details: No Risk assessment conducted to evaluate effectiveness of policy and procedures.
L: Does the facility have a process to address issues found when conducting risk assessments, including implementation of controls to reduce identified risks?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No L1: Please give details: No Risk assessment conducted to evaluate effectiveness of policy and procedures.
M: Does the facility have a policy/code which require labour standards of its own suppliers?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No M1: Please give details: Facility has developed supplier selection policy and procedure, which require them to adhere labour standards.
Land rights	
N: Does the site have all required land rights licenses and permissions (see SMETA Measurement Criteria)?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No N1: Please give details: 2134435-3 Labour Reg. No. CMI-34(R-1555)/2008
O: Does the site have systems in place to conduct legal due diligence to recognize and apply national laws and practices relating to land title?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No O1: Please give details: These are performed by the Labour Inspection department.

<p>P: Does the site have a written policy and procedures specific to land rights. If yes, does it include any due diligence the company will undertake to obtain free, prior and informed consent, (FPIC) even if national/local law does not require it</p>	<p><input type="checkbox"/> Yes <input checked="" type="checkbox"/> No P1: If yes, how does the company obtain FPIC:</p>
<p>Q: Is there evidence that facility / site compensated the owner/lessor for the land prior to the facility being built or expanded.</p>	<p><input checked="" type="checkbox"/> Yes <input type="checkbox"/> No Q1: Please give details: This was conducted by the local governmental authority and the owner purchased the lease according to legal channels.</p>
<p>R: Does the facility demonstrate that alternatives to a specific land acquisition were considered to avoid or minimize adverse impacts?</p>	<p><input checked="" type="checkbox"/> Yes <input type="checkbox"/> No R1: Please give details: This area where the factory located was assigned as industry usage by governmental department.</p>
<p>S: Is There any evidence of illegal appropriation of land for facility building or expansion of footprint.</p>	<p><input type="checkbox"/> Yes <input checked="" type="checkbox"/> No S1: Please give details: All the areas of factory were legal according to the interview and document review.</p>

Non-compliance:	
<p>1. Description of non-compliance: <input checked="" type="checkbox"/> NC against ETI/Additional Elements <input type="checkbox"/> NC against customer code: Inadequate communication / training of workers on ethical code / customer code as during worker interview, 10 out of 62 workers interviewed were not aware of the ETI code and were not aware it was posted in the factory in local language. Additional elements: 0.B.4 Suppliers are expected to communicate this Code to all employees. Recommended corrective action: It is recommended that all workers are made aware of the content of the ETI code and that it is additionally displayed in the worker's canteen, for increased visibility.</p>	<p>Objective evidence observed: <i>(where relevant please add photo numbers)</i> Workers Interview</p>

Observation:	
1-Description of observation:	Objective evidence observed:

<p>No risk assessment has been conducted to evaluate the effectiveness of the company policy and procedure</p> <p>Local law or ETI requirement: K: Are risk assessments conducted to evaluate policy and procedure effectiveness.</p> <p>Comments: Factory shall conduct risk assessment to evaluate the effectiveness of factory policy and procedures</p>	Documents Review
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Good Examples observed:	
Description of Good Example (GE): NIL	<p>Objective evidence observed:</p> <p>NIL</p>

1: Freely Chosen Employment

[\(Click here to return to summary of findings\)](#)

ETI

1.1 There is no forced, bonded or involuntary prison labour.

1.2 Workers are not required to lodge "deposits" or their identity papers with their employer and are free to leave their employer after reasonable notice.

Current Systems and Evidence Examined

To complete 'current systems' Auditors examine policies and written procedures in conjunction with relevant managers, to understand, and record what controls and processes are currently in place e.g. record what policies are in place, what relevant procedures are carried out, who is/are responsible for the management of this item of the code. Evidence checked should detail any documentary or verbal evidence shown to support the systems.

Current systems:

- Factory has forced labour policy and procedure. DCC/IMSP/002
- Workers are not required to lodge "deposit" any kind of their (educational certificate), identity papers or any other personal belongings with the employer and are free to leave the company after reasonable notice.
- No prison labour was found working during facility visit.
- Policy was communicated to the workers through notices, workers handbook and orientation.
- Facility allows employees to move freely within their designated work areas during work hours, including access to drinking water and toilet facilities.
- Employees are allowed to leave the facility after work hours confirmed during worker interviews.
- Facility has assigned qualified person with responsibility for communicating, training, deploying and monitoring and ensuring the implementation of forced labour policy and procedure; Mr. Muhammad Zubair Group Manager Compliance is responsible person for policy communication, monitoring, training & Implementation.
- No sign of force labour was found in the factory during workers interview, documents review and facility visit.
- Factory has also communicated the policy to all its suppliers and contractor's records of acknowledgment reviewed during audit.
- Employment contract was found in accordance with local law and in native language which was found maintained at workers personal files.
- No such long-term loan scheme is in practice which restricts employees from leaving the facility.
- Overtime working is on voluntary basis.
- Facility is only retaining National identity cards and education certificate copies in employee's personal files no original documents are being retained as a condition of employment.

Evidence examined – to support system description (Documents examined & relevant comments. Include renewal/expiry date where appropriate):

Details:

- Facility tour.
- Forced labour policy
- Workers interview
- Workers personal file
- Employment contract terms and condition

Any other comments:

NIL

A: Is there any evidence of retention of original documents, e.g. passports/ID's	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No A1: If yes, please give details and category of workers affected:
B: Is there any evidence of a loan scheme in operation	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No B1: If yes, please give details and category of worker affected:
C: Is there any evidence of retention of wages /deposits	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No C1: If yes, please give details and category of worker affected:
D: Are there any restrictions on workers' freedom to terminate employment?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No D1: Please describe finding:
E: If any part of the business is UK based or registered there & has a turnover over £36m, is there a published a 'modern day slavery statement'?	<input type="checkbox"/> Yes <input type="checkbox"/> No <input checked="" type="checkbox"/> Not applicable E1: Please describe finding:
F: Is there evidence of any restrictions on workers' freedoms to leave the site at the end of the work day?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No F1: Please describe finding:
G: Does the site understand the risks of forced / trafficked / bonded labour in its supply chain	<input type="checkbox"/> Yes <input type="checkbox"/> No <input checked="" type="checkbox"/> Not applicable G1: If yes, please give details and category of workers affected:
H: Is the site taking any steps taking to reduce the risk of forced / trafficked labour?	<input type="checkbox"/> Yes NA <input type="checkbox"/> No H1: Please describe finding: Factory has defined policy procedure for reducing the risk of force labouring and trafficking in the factory. Factory is not involved in and force and trafficking labour

Non-compliance:

1. Description of non-compliance: NIL <input type="checkbox"/> NC against ETI <input type="checkbox"/> NC against Local Law: <input type="checkbox"/> NC against customer code: Local law and/or ETI requirement Recommended corrective action:	Objective evidence observed: <i>(where relevant please add photo numbers)</i> NIL
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Observation:	
Description of observation: NIL Local law or ETI requirement: Comments:	Objective evidence observed: NIL

Good Examples observed:	
Description of Good Example (GE): NIL	Objective evidence observed: NIL

2: Freedom of Association and Right to Collective Bargaining are Respected

[\(Click here to return to summary of findings\)](#)

[\(Click here to return to Key Information\)](#)

ETI

- 2.1 Workers, without distinction, have the right to join or form trade unions of their own choosing and to bargain collectively.
- 2.2 The employer adopts an open attitude towards the activities of trade unions and their organisational activities.
- 2.3 Workers' representatives are not discriminated against and have access to carry out their representative functions in the workplace.
- 2.4 Where the right to freedom of association and collective bargaining is restricted under law, the employer facilitates, and does not hinder, the development of parallel means for independent and free association and bargaining.

Current Systems and Evidence Examined

To complete 'current systems' Auditors examine policies and written procedures in conjunction with relevant managers, to understand, and record what controls and processes are currently in place e.g. record what policies are in place, what relevant procedures are carried out, who is/are responsible for the management of this item of the code. Evidence checked should detail any documentary or verbal evidence shown to support the systems.

Current systems:

- Factory has defined Freedom of association policy and procedure.
- Mr. Muhammad Zubair Group Manager Compliance is responsible for monitoring and implementation of this code in the factory
- The same was communicated to all employees, contractors, suppliers through notices, manual and workers booklets.
- Factory has constituted a 08 member workers Management committee, comprising of workers and management representative. 4 from workers and 4 from management
- Workers representative was elected by the workers through confidential voting, while management representatives were nominated by the management.
- Last election of the council held on 13 September 2018 for 2 years period.
- The committee meets monthly and discusses the workers issues and complaints and gives its recommendations to the managements for the rectification of the issues. Last meeting of the committee was conducted on 9th December 2019; Record of the same was verified during audit. Factory has installed complaint and suggestion boxes for handling of grievance and complaints of those workers who do not wish to contact worker representative or management on any issue.

Evidence examined – to support system description (Documents examined & relevant comments. Include renewal/expiry date where appropriate):

Details:

Policy and procedure

Workers council meeting minutes

Records of workers council election

Any other comments:

NIL

A: What form of worker representation/union is there on site?	<input type="checkbox"/> Union (name) <input checked="" type="checkbox"/> Worker Committee <input type="checkbox"/> Other (specify) <input type="checkbox"/> None	
B: Is it a legal requirement to have a union?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	
C: Is it a legal requirement to have a worker's committee?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	
D: Is there any other form of effective worker/management communication channel? (Other than union/worker committee e.g. H&S, sexual harassment)	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No D1: Please give details: Worker Council committee D2: Is there evidence of free elections? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	
E: Does the supplier provide adequate facilities to allow the Union or committee to conduct related business?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No E1: Please give details: There is a room available for the worker's committee to meet and the members are allowed 2 hours monthly for a meeting	
F: Name of union and union representative, if applicable:	NA	F1: Is there evidence of free elections? <input type="checkbox"/> Yes <input type="checkbox"/> No <input checked="" type="checkbox"/> N/A
G: If there is no union, is there a parallel means of consultation with workers e.g. worker committees?	Factory has constituted a 08-member worker's welfare council, comprising of workers and management representative	G1: Is there evidence of free elections? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A
H: Are all workers aware of who their representatives are?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	
I: Were worker representatives freely elected?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	I1: Date of last election: Last election date was 18 September, 2018 for two years period
J: Do workers know what topics can be raised with their representatives?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	
K: Were worker representatives/union representatives interviewed?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No If Yes , please state how many: Two worker's representative was interviewed	
L: Please describe any evidence that union/worker's committee is effective?	The committee meets monthly. There are meeting minutes and the worker's committee interview confirmed that they have met with management as and when required. Last meeting topics covered	

Specify date of last meeting; topics covered; how minutes were communicated etc.	i.e. waste handling and accumulation of waste on floors medical card awareness, drinking water issue. Meeting minutes was displayed on notice board for the awareness of workers	
M: Are any workers covered by Collective Bargaining Agreement (CBA)?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	
If Yes , what percentage by trade Union/worker representation	M1: ____% workers covered by Union CBA	M2: ____% workers covered by worker rep CBA
M3: If Yes , does the Collective Bargaining Agreement (CBA) include rates of pay?	<input type="checkbox"/> Yes <input type="checkbox"/> No	

Non-compliance:	
1. Description of non-compliance: NIL <input type="checkbox"/> NC against ETI <input type="checkbox"/> NC against Local Law <input type="checkbox"/> NC against customer code: Local law and/or ETI requirement: Recommended corrective action:	Objective evidence observed: (where relevant please add photo numbers) NIL

Observation:	
Description of observation: NIL Local law or ETI requirement: Comments:	Objective evidence observed: NIL

Good Examples observed:	
Description of Good Example (GE):	Objective evidence observed:

3: Working Conditions are Safe and Hygienic

[\(Click here to return to summary of findings\)](#)

[\(Click here to return to Key Information\)](#)

ETI

3.1 A safe and hygienic working environment shall be provided, bearing in mind the prevailing knowledge of the industry and of any specific hazards. Adequate steps shall be taken to prevent accidents and injury to health arising out of, associated with, or occurring in the course of work, by minimising, so far as is reasonably practicable, the causes of hazards inherent in the working environment.

3.2 Workers shall receive regular and recorded Health & Safety training, and such training shall be repeated for new or reassigned workers.

3.3 Access to clean toilet facilities and to potable water, and, if appropriate, sanitary facilities for food storage shall be provided.

3.4 Accommodation, where provided, shall be clean, safe, and meet the basic needs of the workers.

3.5 The company observing the code shall assign responsibility for Health & Safety to a senior management representative.

Current Systems and Evidence Examined

To complete 'current systems' Auditors examine policies and written procedures in conjunction with relevant managers, to understand, and record what controls and processes are currently in place e.g. record what policies are in place, what relevant procedures are carried out, who is/are responsible for the management of this item of the code. Evidence checked should detail any documentary or verbal evidence shown to support the systems.

Current systems:

- Factory has defined EHS policy and procedure. DCC/SP/002
- Mr. Muhammad Owais Manager Compliance and EHS is responsible for compliance with health and safety standards in the factory.
- Labour Directorate Registration No. CMI-34(R-1555)/2008.
- Labor Officer & Inspector, Mr. Safdar Hussain, visited the factory on 19/08/19 for labour issues and joint labour director Mr. Ahmed Ali Lakhu inspected the factory on occupational health & safety issues on 05/03/2019.
- Factory was inspected by Civil Defence department reference 5(35)/2002/CDM/CDO/EAST-2019 on 4/1/2019 for 1 year validity.
- The factory conducts Evacuation drills quarterly in the factory. Detail of last 02 drills as under: latest drill was conducted on 30-11-2019 evacuation time 2:28 seconds. Previous drill was conducted on 30-08-2019, started at 3:50, and completed in 2 minutes & 20 seconds; evacuation time was noted less than 3 minutes. Evacuation drills were conducted by civil defence trained instructors of Govt. Of Pakistan.
- Factory has established 07 member's health & safety / canteen committee; meets monthly and discuss safety issues of the factory; last meeting was conducted on 12-12-2019.
- Factory has building stability certificate on K Form from Approved authority (Engr. Shabbir Hussain Karachi Development Authority License number 06-21 of Govt. Of Pakistan.
- Factory has equipped with 06 power generators inspected through Allied Consultants:
 - Generator 01 KAP00370 dated 16-07-2019 capacity 230KW
 - Generator 02 KAP00446 dated 26-12-2019 capacity 360KW
 - Generator 03 6ZM00479 dated 11-12-2019 capacity 240 KW
 - Generator 04 CPJ00404 dated 07-07-2019 capacity 366 KW
 - Generator 05 KAP00559 dated 04-07-2019 capacity 220KW
 - Generator 06 ZAF00227 dated 22-09-2019 capacity 920 KW
- Factory has permanent certified Electrician, Mr. Mateenul Haque, Licence #. KW-50469 in the factory, who is responsible for maintenance of electrical safety in the factory.
- Factory has conducted steam generator inspection from Techno-Gen Engineering on 26-09-2019 valid till 26-03-2020.

- Factory has conducted lift inspection from M/s Mechano Elevator Company reference number R-058/019 on 3rd August 2019
- Factory has canteen license # 2793 from CDGK valid till 31-12-2019 and canteen workers medical examination and vaccination against contagious diseases; last examination was on 01/08/2019 by HOPE General Hospital
- 38 members are trained on First Aid through civil defence certified trainer Mr. Ahsan Ali Bhutto dated 30-11-2019.
- 38 members are trained on firefighting through civil defence certified trainer Mr. Ahsan Ali Bhutto dated 30-11-2019
- There are total 24 First Aid boxes installed in different departments of the factory.
- Factory has 312 smoke detectors, 233 fire extinguishers, 71 centralized fire alarm points, 33 fire hydrant points with hose reels. Factory has 200,000 gallons water reserved for fire hydrant system, with 8 bar pressure.
- Accident and injury records were kept, and the factory analysed the accidents/injuries and took some corrective actions.
- Factory has 73 male toilets and 29 female toilets.
- Factory has installed chillers plant for the supply of drinking water in the factory, which was found hygienic as per drinking water test report no. AMT/DDC/Nov-19/WL-00514-B; dated: 28-11-2019, from AIMS TEC laboratories.
- Factory has performed vaccination of its employees through certifying surgeon Dr. Asiya Rehman dated 23-07-2019 as required by law.
- The general EHS conditions such as hygiene, lighting and ventilation etc. were all acceptable

Evidence examined – to support system description (Documents examined & relevant comments. Include renewal/expiry date where appropriate):

Details:

- Health and safety policy and procedure.
- Certificate of building stability through SH Consultants, Engr Shabir Hussain Licence NO SE-06-21
- Evacuation drill records. for 30-08-2019 and 30-11-2019
- Fire fighting equipment inspection certificate reference 5(35)/2002/CDM/CDO/EAST-2019.
- Health & safety trainings like First aid, fire fighting and use of PPE training records.
- Injury and accident records.
- Health and safety inspection reports.
- Machineries and equipment's inspection reports.
- Fire safety list of equipment's.
- Machine maintenance record.
- Test reports of drinking water, AMT/DDC/Nov-19/WL-00514-B; dated: 28-11-2019
- Workers hygiene cards and vaccination reports through Dr. Asiya Rehman

Any other comments:

NIL

A: Does the facility have general and occupational Health & Safety policies and procedures that are fit for purpose and are these communicated to workers?

- ☒ Yes
☐ No

A1: Please give details: The site has a H&S manager and a H&S committee who meet monthly – evidence reviewed during audit last meeting of the committee held on 12-12-2019.

<p>B: Are the policies included in workers' manuals?</p>	<p><input checked="" type="checkbox"/> Yes <input type="checkbox"/> No B1: Please give details: Facility have general Health & Safety and occupational Health & Safety policies and procedures included in workers manual</p>
<p>C: Are there any structural additions without required permits/inspections (e.g. floors added)?</p>	<p><input type="checkbox"/> Yes <input checked="" type="checkbox"/> No C1: Please give details: Factory building was evaluated by structural engineers from SH Consultants, evaluating engineer was Engr Shabir Hussain Licence NO SE-06-21</p>
<p>D: Are visitors to the site informed on H&S and provided with personal protective equipment</p>	<p><input checked="" type="checkbox"/> Yes <input type="checkbox"/> No D1: Please give details: Factory provides H&S information to all visitors and also provides details of which PPE's are required for which area.</p>
<p>E: Is a medical room or medical facility provided for workers?</p> <p>If yes, do the room(s) meet legal requirements and is the size/number of rooms suitable for the number of workers.</p>	<p><input checked="" type="checkbox"/> Yes <input type="checkbox"/> No E1: Please give details: Factory has provided first aid kits for the use of workers in the factory</p>
<p>F: Is there a doctor or nurse on site or there is easy access to first aider/ trained medical aid?</p>	<p><input checked="" type="checkbox"/> Yes <input type="checkbox"/> No F1: Please give details: Factory has employed nursing staff and trained first aiders for medical aid</p>
<p>G: Where the facility provides worker transport - is it fit for purpose, safe, maintained and operated by competent persons e.g. buses and other vehicles?</p>	<p><input checked="" type="checkbox"/> Yes <input type="checkbox"/> No G1: Please give details: : Factory provides transport facility to all of its employees which works under supervision of administration department. All vehicles were periodically maintained and fit for purpose.</p>
<p>H: Is secure personal storage space provided for workers in their living space and is fit for purpose?</p>	<p><input type="checkbox"/> Yes <input checked="" type="checkbox"/> No H1: Please give details: No dormitory provided by facility</p>
<p>I: Are H&S Risk assessments are conducted (including evaluating the arrangements for workers doing overtime e.g. driving after a long shift) and are there controls to reduce identified risk?</p>	<p><input checked="" type="checkbox"/> Yes <input type="checkbox"/> No I1: Please give details: Detail H&S risk assessment was carried out in a factory which covers all of the areas of the premises. Last risk assessment was conducted on the month of November 2019</p>
<p>J: Is the site meeting its legal obligations on environmental requirements including required permits for use and disposal of natural resources?</p>	<p><input checked="" type="checkbox"/> Yes <input type="checkbox"/> No J1: Please give details: Factory has obtained NOC from Sindh EPA reference number (ROK/GF-421/428/19. Valid till April 2020</p>

K: Is the site meeting its customer requirements on environmental standards, including the use of banned chemicals?

☒ Yes
☐ No

K1: Please give details: The site had a copy of the banned substances list from its customer and was meeting those requirements including Higg Iditex, ZDHC

Non-compliance:

1. Description of non-compliance:

☐ NC against ETI ☒ NC against Local Law ☐ NC against customer code:

During factory tour it was found that rubber mat was missing under the electric panel in production area

Local law and/or ETI requirement

Rule 62(1) of The Sind Factories Rules, 1975: 62. (1) In every factory, all electrical circuits or part of such circuits or any object electrically connected with them whether commonly or occasionally in an electrified condition, which by reason of their position could cause injury to any person, shall be protected adequately, either by non-metallic fencing or insulation or by both, in such manner as to remove danger of injury

Recommended corrective action:

Rubber mats shall be provided under all electrical panels.

2. Description of non-compliance:

☐ NC against ETI ☒ NC against Local Law ☐ NC against customer code:

Pathways were found partially blocked in production area first floor

Local law and/or ETI requirement:

Section 41 of the Sindh Factories Act 2015; In every factory - (b) there shall, so far as is reasonably practicable, be provided and maintained safe means of access to every place at which any person is at any time required to work;

Recommended corrective action:

All pathways shall always be clear without any obstruction.

3. Description of non-compliance:

☐ NC against ETI ☒ NC against Local Law ☐ NC against customer code:

First aid supplies found insufficient in first aid box in stitching section first floor

Local law and/or ETI requirement:

APPENDIX I of [Rule 94 (1)] required: (ii) A sufficient number (not less than six) of small (sterilized) dressings for fingers. (iii) A sufficient number (not less than three) of medium size (sterilized) dressings for hands and feet

Recommended corrective action:

Sufficient first aid supplies shall be provided in all first aid boxes as required in Rules 94

4. Description of non-compliance:

Objective evidence observed:

(where relevant please add photo numbers)

During Factory Visit

☐ NC against ETI
 ☒ NC against Local Law
 ☐ NC against customer code:

Finger guard and pulley cover not installed in stitching machine checked 12 out of 20. Also, nozzle guard missing with pressured air pipes on production floor, Insulation missing with steam press in pressing section

Local law and/or ETI requirement:

Section 30. (1) of Sindh Factories Act 2015: In every factory the following shall be securely fenced by the safeguards of substantial construction which shall be kept in position while the parts of machinery required to be fenced are in motion or in use, namely -Fencing of machinery. 12 (a) every moving part of a prime mover, and every fly wheel connected to a prime mover;

Recommended corrective action:

Needle guard, Teflon pad for steam iron and nozzle guard for steam pressured air pipes shall be provided

5. Description of non-compliance:

☐ NC against ETI
 ☒ NC against Local Law
 ☐ NC against customer code:

Few cutting workers were not wearing face mask. Few workers in embroidery section were not wearing earplugs

Local law and/or ETI requirement:

Rule 12 (c) of the Hazardous Substances Rules, 2003: Protective clothing and equipment comprising helmet or cloth cap, safety spectacles or goggles, respirators or masks, rubber or plastic gloves and work boots, shall be available for all workers who may be exposed to hazardous substance, and no workers shall be permitted on job unless and until he is wearing such protective clothing and equipment.

Recommended corrective action:

Shall be ensured that all worker use appropriate PPEs

6. Description of non-compliance:

☐ NC against ETI
 ☒ NC against Local Law
 ☐ NC against customer code:

Drinking water point not marked with water coolers on production floor

Local law and/or ETI requirement:

Section 22(2) of The Factories Act, 2015: All such points shall be legibly marked "Drinking Water" in a language understood by the majority of the workers and no such point shall be situated within twenty feet of any washing place, urinal or latrine, unless a shorter distance is approved in writing by the Chief Inspector

Recommended corrective action:

Drinking water point shall be marked as required by local law

7. Description of non-compliance:

☐ NC against ETI
 ☒ NC against Local Law
 ☐ NC against customer code:

Male worker's canteen was found untidy and unhygienic as garbage was placed over the dining tables

Local law and/or ETI requirement:

Rule 3 (9) of The West Pakistan Factories Canteen Rules, 1959: The precincts of the canteen shall be kept clean and sanitary Waste water shall be carried away in suitable covered drains and shall not be allowed to accumulate so as to cause a nuisance,

Recommended corrective action:

Hygiene and cleanness in canteen shall be ensure

Observation:

Description of observation: NIL

Local law or ETI requirement:

Recommended corrective action:

Objective evidence observed:

NIL

Good Examples observed:

Description of Good Example (GE): NIL

Objective Evidence Observed:

NIL

4: Child Labour Shall Not Be Used

[\(Click here to return to summary of findings\)](#)

[\(Click here to return to Key Information\)](#)

ETI

4.1 There shall be no new recruitment of child labour.

4.2 Companies shall develop or participate in and contribute to policies and programmes which provide for the transition of any child found to be performing child labour to enable her or him to attend and remain in quality education until no longer a child.

4.3 Children and young persons under 18 shall not be employed at night or in hazardous conditions.

4.4 These policies and procedures shall conform to the provisions of the relevant ILO Standards.

Current Systems and Evidence Examined

To complete 'current systems' Auditors examine policies and written procedures in conjunction with relevant managers, to understand, and record what controls and processes are currently in place e.g. record what policies are in place, what relevant procedures are carried out, who is/are responsible for the management of this item of the code. Evidence checked should detail any documentary or verbal evidence shown to support the systems.

Current systems:

- Factory has defined child labour policy and procedure in the factory. DCC/IMSP/001
- Factory has communicated the policy by displaying policy on notice board.
- No workers below 18 years are employed in the factory.
- As per hiring procedure prospective workers with authentic age verification documents will be considered.
- HR department ascertains workers age during appointment through documents and interview, workers age verification documents were kept in their personal files for verification

Evidence examined – to support system description (Documents examined & relevant comments. Include renewal/expiry date where appropriate):

Details:

- Child labour policy and procedure.
- Personal file for age proof documents like CNIC, Birth certificates and educational certificates.
- Facility visit, interview with suspected workers

Any other comments:

NIL

A: Legal age of employment:	15-18 Years
B: Age of youngest worker found:	20 Years
C: Are there children present on the work floor but not working at the time of audit?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
D: % of under 18's at this site (of total workers)	00 %

<p>E: Are workers under 18 subject to hazardous work assignments? (Go to clause 3 – Health and Safety)</p>	<p><input type="checkbox"/> Yes <input type="checkbox"/> No E1: If yes, give details Not Applicable</p>
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Non-compliance:	
<p>1. Description of non-compliance: NIL <input type="checkbox"/> NC against ETI <input type="checkbox"/> NC against Local Law <input type="checkbox"/> NC against customer code:</p> <p>Local law and/or ETI requirement:</p> <p>Recommended corrective action:</p>	<p>Objective evidence observed: <i>(where relevant please add photo numbers)</i> NIL</p>

Observation:	
<p>Description of observation: NIL Local law or ETI requirement: Comments:</p>	<p>Objective evidence observed: NIL</p>

Good Examples observed:	
<p>Description of Good Example (GE): NIL</p>	<p>Objective Evidence Observed: NIL</p>

5: Living Wages are Paid

[\(Click here to return to summary of findings\)](#)

[\(Click here to return to Key information\)](#)

ETI

5.1 Wages and benefits paid for a standard working week meet, at a minimum, national legal standards or industry benchmark standards, whichever is higher. In any event wages should always be enough to meet basic needs and to provide some discretionary income.

5.2 All workers shall be provided with written and understandable information about their employment conditions in respect to wages before they enter employment and about the particulars of their wages for the pay period concerned each time that they are paid.

5.3 Deductions from wages as a disciplinary measure shall not be permitted nor shall any deductions from wages not provided for by national law be permitted without the expressed permission of the worker concerned. All disciplinary measures should be recorded.

Current Systems and Evidence Examined

To complete 'current systems' Auditors examine policies and written procedures in conjunction with relevant managers, to understand, and record what controls and processes are currently in place e.g. record what policies are in place, what relevant procedures are carried out, who is/are responsible for the management of this item of the code. Evidence checked should detail any documentary or verbal evidence shown to support the systems.

Current systems:

- Employees are paid their salary / wages in form bank transferring and cheque along with itemized pay stub. Company facilitates all the employees with legal benefits like social security, group insurance, old age benefits, bonus (as per company's annual profit), annual leaves (or encashment) maternity and other leaves.
- During documents review and workers interview it was noted that factory was paying minimum wage PKR 17,500/month as minimum wage to unskilled workers.
- Mr. Muhammad Zubair, Group Manager Systems & Compliance responsible person to take action on compliant / objection logged / raised and also discuss this matter in Workers council meeting and resolve it on priority basis.
- Factory was keeping record of the workers wage and also wage slips were provided to the workers.
- All permanent employees are covered through group Insurance in the factory.
- Factory pays yearly bonus to all workers.
- Factory contributes for social security and old age benefits of the workers

Evidence examined – to support system description (Documents examined & relevant comments. Include renewal/expiry date where appropriate):

Details:

- Payroll and payment record of 62 workers for the month of November 2019, May 2019, December 2018.
- Production records for the month of November 2019, May 2019, December 2018.
- Wage slips of the workers
- Record of social security and EOBI
- Record of group insurance
- Leave Record of the workers

Any other comments:

NIL

Non-compliance:	
1. Description of non-compliance: NIL <input type="checkbox"/> NC against ETI <input type="checkbox"/> NC against Local Law <input type="checkbox"/> NC against customer code: Local law and/or ETI requirement: Recommended corrective action:	Objective evidence observed: <i>(where relevant please add photo numbers)</i> NIL

Observation:	
Description of observation: NIL Local law or ETI requirement: Comments:	Objective evidence observed: NIL

Good Examples observed:	
Description of Good Example (GE):	Objective Evidence Observed:

Summary Information

Criteria	Local Law (Please state legal requirement)	Actual at the Site (Record site results against the law)	Is this part of a Collective Bargaining Agreement?
A: Standard/Contracted work hours: (Maximum legal and actual required working hours excluding overtime, please state if possible per day, week, and month)	Legal maximum: 8 hrs / day, 48 hrs / week, 208 hrs / month	A1: 8 hrs / day, 48 hrs / week, 208 hrs / month	A2: <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
B: Overtime hours: (Maximum legal and actual overtime hours, please state if possible per day, week, and month)	Legal maximum: 12 hrs / week	B1: 08 hrs / week	B2: <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
C: Wage for standard/contracted hours: (Minimum legal and actual minimum wage at site, please state if possible per hr, day, week, and month)	Legal minimum: PKR 17,500/ month	C1: PKR 17,500/ month	C2: <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No

D: Overtime wage: (Minimum legal and actual minimum overtime wage at site, please state if possible per hr, day, week, and month)	Legal minimum: 200% of normal rate	D1: 200% of normal rate	D2: <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
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Wages analysis: (Click here to return to Key Information)			
A: Were accurate records shown at the first request?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No		
A1: If No , why not?	NIL		
B: Sample Size Checked (State number of worker records checked and from which weeks/months – should be current, peak, and random/low. Please see SMETA Best Practice Guidance and Measurement Criteria)	62 samples from November 2019 (current) 62 samples from May 2019 (peak) 62 samples from December 2018 (randomly selected)		
C: Are there different legal minimum wage grades? If Yes , please specify all.	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	C1: If Yes , please give details:	
D: If there are different legal minimum grades, are all workers graded and paid correctly?	<input type="checkbox"/> Yes <input type="checkbox"/> No <input checked="" type="checkbox"/> N/A	D1: If No , please give details:	
E: For the lowest paid production workers, are wages paid for standard/contracted hours (excluding overtime) below or above the legal minimum?	<input type="checkbox"/> Below legal min <input checked="" type="checkbox"/> Meet <input checked="" type="checkbox"/> Above	E1: Lowest actual wages found: <i>Note: full time employees and please state hour / week / month etc.</i> PKR.17,500/month for fixed monthly salaries workers	
F: Please indicate the breakdown of workforce per earnings:	F1: ____% of workforce earning under minimum wage F2: 60% of workforce earning minimum wage F3: 40% of workforce earning above minimum wage		
G: Bonus Scheme found: Please specify details:	Bonus Scheme found: <i>Note: type of employee (e.g. full time, temp, etc.) and please state which units e.g. /hour /week /month etc.</i> Factory pays yearly bonus to its workers on gross salary		
H: What deductions are required by law e.g. social insurance? Please state all types:	EOBI, Income tax		
I: Have these deductions been made?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	I1: Please list all deductions that have been made.	1. Income tax 2.

			Please describe: NIL
		I2: Please list all deductions that have not been made.	1. EOBI 2. Please describe:
J: Were appropriate records available to verify hours of work and wages?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No		
K: Were any inconsistencies found? (if yes describe nature)	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	K1: Type NIL <input type="checkbox"/> Poor record keeping <input type="checkbox"/> Isolated incident <input type="checkbox"/> Repeated occurrence:	
L: Do records reflect all time worked? (For instance, are workers asked to attend meetings before or after work but not paid for their time)	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No L1: Please give details:		
M: Is there a defined living wage: <i>This is <u>not normally</u> minimum legal wage. If answered yes, please state amount and source of info: Please see SMETA Best Practice Guidance and Measurement Criteria.</i>	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No M1: Please specify amount/time:		
M2: If yes, what was the calculation method used.	<input type="checkbox"/> ISEAL/Anker Benchmarks <input type="checkbox"/> Asia Floor Wage <input type="checkbox"/> Figures provided by Unions <input type="checkbox"/> Living Wage Foundation UK <input type="checkbox"/> Fair Wear Wage Ladder <input type="checkbox"/> Fairtrade Foundation Other – please give details:		
N: Are there periodic reviews of wages? If Yes give details (include whether there is consideration to basic needs of workers plus discretionary income).	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No N1: Please give details: Factory reviews wages annually when the local govt. revises minimum wages		
O: Are workers paid in a timely manner in line with local law?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No		
P: Is there evidence that equal rates are being paid for equal work:	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No P1: Please give details: Through review of the wage records and workers interview it was noted wage rates are same for male and female workers and also for the same jobs, no discrimination in wage rates were noted		

<p>Q: How are workers paid:</p>	<p> <input checked="" type="checkbox"/> Cash <input type="checkbox"/> Cheque <input checked="" type="checkbox"/> Bank Transfer <input type="checkbox"/> Other <p>Q1: If other, please explain:</p> </p>
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6: Working Hours are not Excessive

[\(Click here to return to summary of findings\)](#)

[\(Click here to return to Key Information\)](#)

ETI

6.1 Working hours must comply with national laws, collective agreements, and the provisions of 6.2 to 6.6 below, whichever affords the greater protection for workers. Sub-clauses 6.2 to 6.6 are based on international labour standards.

6.2 Working hours, excluding overtime, shall be defined by contract, and shall not exceed 48 hours per week.

6.3 All overtime shall be voluntary. Overtime shall be used responsibly, taking into account all the following: the extent, frequency and hours worked by individual workers and the workforce as a whole. It shall not be used to replace regular employment. Overtime shall always be compensated at a premium rate, which is recommended to be not less than 125% of the regular rate of pay.

6.4 The total hours worked in any 7-day period shall not exceed 60 hours, except where covered by clause 6.5 below.

6.5 Working hours may exceed 60 hours in any 7-day period only in exceptional circumstances where **all** of the following are met:

- this is allowed by national law;
- this is allowed by a collective agreement freely negotiated with a workers' organisation representing a significant portion of the workforce;
- appropriate safeguards are taken to protect the workers' health and safety; and
- The employer can demonstrate that exceptional circumstances apply such as unexpected production peaks, accidents or emergencies.

6.6 Workers shall be provided with at least one day off in every 7-day period or, where allowed by national law, 2 days off in every 14-day period.

Current Systems and Evidence Examined

To complete 'current systems' Auditors examine policies and written procedures in conjunction with relevant managers, to understand, and record what controls and processes are currently in place e.g. record what policies are in place, what relevant procedures are carried out, who is/are responsible for the management of this item of the code. Evidence checked should detail any documentary or verbal evidence shown to support the systems.

Current systems:

- Facility has defined working hours policy and procedure as per policy The Factory is committed to ensure working hours in compliance to legal requirements. Management ensures that regular working hours don't exceed 48 hrs per week and overtime hours don't exceed 12 hrs. per week. Management ensures that 7th day weekly rest is ensured. However, in case of "Urgent Business Needs" work can be performed on weekly rest provided all legal compliance is ensured.
 - Urgent business needs can be considered in following business circumstances:
 - Strike in the city and loss of production.
 - Limited to delays / interruptions in production caused by Natural Calamities or unscheduled power failures.
 - No repetitive production deadlines or unforeseen circumstances which are beyond employer's control''.
- During audit it was noted that factory works in below mention shift schedule:
- General Shift: 0830 To 17:30 for management staff and production staff

- There were two shifts for Embroidery section
Shift A: 8:30 To 17:30 hours
Shift B: 20:30:00 To 5:30 hours

Factory has installed swipe card system for recording the workers' working hours in the factory.

Evidence examined – to support system description (Documents examined & relevant comments. Include renewal/expiry date where appropriate):

Details:

- *Factory policy and procedure for working hours in the factory*
- *62 workers time record for the month of November 2019, May 2019, December 2018.*
- *Production Records for the month of November 2019, May 2019, December 2018*

Any other comments:

NIL

Non-compliance:

1. Description of non-compliance: NIL

☐ NC against ETI ☐ NC against Local Law ☐ NC against customer code:

Local law and/or ETI requirement:

Recommended corrective action:

Objective evidence observed:

(where relevant please add photo numbers)
NIL

Observation:

Description of observation: NIL

Local law or ETI requirement:

Comments:

Objective evidence observed:

NIL

Good Examples observed:	
Description of Good Example (GE): NIL	Objective Evidence Observed: NIL

Working hours' analysis			
Please include time e.g. hour/week/month (Go back to Key information)			
Systems & Processes			
A. What timekeeping systems are used: time card etc.	Describe: Factory has installed swipe card system for timekeeping of workers in the factory		
B: Is sample size same as in wages section?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No B1: If no, please give details		
C: Are standard/contracted working hours defined in all contracts/employment agreements?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	C1: If NO, please give details including % and which type of workers do NOT have standard hours defined in contracts/employment agreements. Please give details:	
D: Are there any other types of contracts/employment agreements used?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	D1: If YES, please complete as appropriate:	
		<input type="checkbox"/> 0 hrs <input type="checkbox"/> Part time <input type="checkbox"/> Variable hrs <input type="checkbox"/> Other	
		If "Other", Please define:	
E. Do any standard/contracted working hours defined in contracts/employment agreements exceed 48 hours per week?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	E1: If yes , please detail hours, %, types of workers affected and frequency Please give details:	

F: Are workers provided with at least 1 day off in every 7-day-period, or 2 in 14-day-period?	F2: Please select all applicable: <input checked="" type="checkbox"/> 1 in 7 days <input type="checkbox"/> 2 in 14 days <input type="checkbox"/> No If 'No', please explain:	F3: Is this allowed by local law? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
	Maximum number of days worked without a day off (in sample):	
	6 Days	
Standard/Contracted Hours worked		
G: Were standard working hours over 48 hours per week found?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	G1: If yes, % of workers & frequency:
		NIL
H: Any local waivers/local law or permissions which allow averaging/annualised hours for this site?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	H1: If yes, please give details:
		NIL
Overtime Hours worked		
I: Actual overtime hours worked in sample (State per day/week/month)	Highest OT hours: 48 Hours in the month of May 2019	
J: Combined hours (standard or contracted + overtime hours = total) over 60 found? Please give details:	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	
K: Approximate percentage of total workers on highest overtime hours:	30%	
L: Is overtime voluntary?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> Conflicting Information	L1: Please detail evidence e.g. Wording of contract / employment agreement / handbook / worker interviews / refusal arrangements:
		Contracts stated that overtime may be requested but it was voluntary
Overtime Premiums		

M: Are the correct legal overtime premiums paid?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A – there is no legal requirement to OT premium	M1: Please give details of normal day overtime premium as a % of standard wages: 200%
N: Is overtime paid at a premium?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	N1: If yes, please describe % of workers & frequency: 100 % workers against each pay
O: If the site pays less than 125% OT premium and this is allowed under local law, are there other considerations? Please complete the boxes where relevant.	<input type="checkbox"/> No <input type="checkbox"/> Consolidated pay (May be standard wages above minimum legal wage, with no/low overtime premium) <input type="checkbox"/> Collective Bargaining agreements <input type="checkbox"/> Other	
	O1: Please explain any checked boxes above e.g. detail of consolidated pay / CBA or Other	
	NA	
P: If more than 60 total hours per week and this is legally allowed, are there other considerations? Please complete the boxes where relevant.	<input type="checkbox"/> Overtime is voluntary <input type="checkbox"/> Onsite Collective bargaining allows 60+ hours/week <input type="checkbox"/> Safeguards are in place to protect worker's health and safety <input type="checkbox"/> Site can demonstrate exceptional circumstances <input type="checkbox"/> Other reasons (please specify)	
	P1: Please explain any checked boxes above e.g. detail of consolidated pay / CBA or other:	
	NA	
Q: Is there evidence that overtime hours are being used for extended periods to make up for labour shortages or increased order volumes?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No Q1: If yes, please give details:	
R: If sufficient workers cannot be hired, are new working time arrangements explored to ensure that overtime is the exception rather than the rule.	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	

7: No Discrimination is Practiced

[\(Click here to return to summary of findings\)](#)

ETI

7.1 There is no discrimination in hiring, compensation, access to training, promotion, termination or retirement based on race, caste, national origin, religion, age, disability, gender, marital status, sexual orientation, union membership or political affiliation.

Current Systems and Evidence Examined

To complete 'current systems' Auditors examine policies and written procedures in conjunction with relevant managers, to understand, and record what controls and processes are currently in place e.g. record what policies are in place, what relevant procedures are carried out, who is/are responsible for the management of this item of the code. Evidence checked should detail any documentary or verbal evidence shown to support the systems.

Current systems:

- Factory has defined discrimination policy and procedure and as per policy factory is not engage in or support discrimination in hiring, compensation, access to training, promotion, termination, or retirement based on race, caste, national origin, religion, disability, gender, sexual orientation, union membership, or political affiliation.
- During audit, through workers interview and documents review, no sign of discrimination was observed in the factory.
- During audit it was confirmed that facility's environment is free from misbehaviour activities, such as gesture, language and physical contact that is sexually coercive, threatening, abusive or exploitative.
- Non discrimination policy is found posted on employee notification boards at production floors.
- Factory has equal employment opportunity policy.
- Facility has deployed Mr. Muhammad Zubair Group Manager Compliance for communicating, training, deploying and monitoring and ensuring the implementation of discrimination policy and procedure.
- Workers are hired, compensated & promoted on the basis of capability and merit without any distinction, different social and ethnic background workers were found working in the factory

Evidence examined – to support system description (Documents examined & relevant comments. Include renewal/expiry date where appropriate):

Details:

- Policy and procedure for non discrimination
- Wage records of male and female workers
- Maternity benefit policy and procedure for female workers
- Terms and condition of employment

Any other comments:
NIL

A: Gender breakdown of Management + Supervisors (Include as one combined group)	A1: Male: 85 % A2: Female 15 %
B: Number of women who are in skilled or technical roles e.g. where specific	02 female are working in Industrial Engineering department

qualifications are needed i.e. machine engineer / laboratory analyst:	
C: Is there any evidence of discrimination based on race, caste, national origin, religion, age, disability, gender, marital status, sexual orientation, union membership or political affiliation?:	<input type="checkbox"/> Hiring <input type="checkbox"/> Compensation <input type="checkbox"/> Access to training <input type="checkbox"/> Promotion <input type="checkbox"/> Termination or retirement <input checked="" type="checkbox"/> No evidence of discrimination found C1: Please give details: During audit, through workers interview and documents review, no sign of discrimination was observed in the factory

Professional Development	
A: What type of training and development are available for workers?	Factory provides skilled development training to workers in the factory for which they have setup Industrial Engineering department
B: Are HR decisions e.g. promotion, training, compensation based on objective, transparent criteria?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No If no, please give details:

Non-compliance:	
1. Description of non-compliance: NIL <input type="checkbox"/> NC against ETI <input type="checkbox"/> NC against Local Law <input type="checkbox"/> NC against customer code: Local law and/or ETI requirement: Recommended corrective action:	Objective evidence observed: <i>(where relevant please add photo numbers)</i> NIL

Observation:

Description of observation: NIL Local law or ETI requirement: Comments:	Objective evidence observed: NIL
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Good Examples observed:	
Description of Good Example (GE): NIL	Objective Evidence Observed: NIL

8: Regular Employment Is Provided

[\(Click here to return to summary of findings\)](#)

[\(Click here to return to Key Information\)](#)

ETI

8.1 To every extent possible work performed must be on the basis of recognised employment relationship established through national law and practice.

8.2 Obligations to employees under labour or social security laws and regulations arising from the regular employment relationship shall not be avoided through the use of labour-only contracting, sub-contracting, or home-working arrangements, or through apprenticeship schemes where there is no real intent to impart skills or provide regular employment, nor shall any such obligations be avoided through the excessive use of fixed-term contracts of employment.

Additional Elements: Responsible Recruitment

8.3 Suppliers have full understanding of the entire recruitment process and assess all labour recruiters and intermediaries against legal and/or ethical requirements.

8.4 There are effective management systems in place to identify and monitor the hiring and management of all migrant workers, contract workers, agency workers, temporary or casual labour. The supplier shall implement processes to enable adequate control over agencies with regards the above points and related legislation.

8.5 Employment agencies must only supply workers registered with them.

8.6 Workers pay no recruitment fee at any stage of the recruitment process.

8.7 Worker contracts accurately reflect the agreed payment and terms in the recruitment process and are understood and signed by workers.

Current Systems and Evidence Examined

To complete 'current systems' Auditors examine policies and written procedures in conjunction with relevant managers, to understand, and record what controls and processes are currently in place e.g. record what policies are in place, what relevant procedures are carried out, who is/are responsible for the management of this item of the code. Evidence checked should detail any documentary or verbal evidence shown to support the systems.

Current systems:

- During audit it was noted that employment in the factory is based on recognised employment relationship established through national labour law & regulations.
- Factory has maintained employment contract of all workers in their personal files.
- No casual and seasonal were found hired in the factory during document review, facility visit and workers interview

Evidence examined – to support system description (Documents examined & relevant comments. Include renewal/expiry date where appropriate):

Details:

- Employment policy and procedure
- Terms and condition of Employments
- Personal files of the workers

Any other comments:

NIL

Non-compliance:

1. Description of non-compliance: NIL <input type="checkbox"/> NC against ETI <input type="checkbox"/> NC against Local Law <input type="checkbox"/> NC against customer code: Local law and/or ETI requirement: Recommended corrective action:	Objective evidence observed: <i>(where relevant please add photo numbers)</i> NIL
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Observation:	
Description of observation: NIL Local law or ETI requirement: Comments:	Objective evidence observed: NIL

Good Examples observed:	
Description of Good Example (GE): NIL	Objective Evidence Observed: NIL

Responsible Recruitment

All Workers	
A: Were all workers presented with terms of employment at the time of recruitment, did they understand them and are they same as current conditions?	<input checked="" type="checkbox"/> Terms & Conditions presented <input checked="" type="checkbox"/> Understood by workers <input checked="" type="checkbox"/> Same as actual conditions A1: If any are unchecked, please describe finding and specific category(ies) of workers affected:
B: Did workers' pay any fees, taxes, deposits or bonds for the purpose of recruitment/placement?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No B1: If yes, please describe details and specific category(ies) of workers affected:

C: If yes, check all that apply:	<input type="checkbox"/> Recruitment / hiring fees <input type="checkbox"/> Service fees <input type="checkbox"/> Application costs <input type="checkbox"/> Recommendation fees <input type="checkbox"/> Placement fees <input type="checkbox"/> Administrative, overhead or processing fees <input type="checkbox"/> Skills tests <input type="checkbox"/> Certifications <input type="checkbox"/> Medical screenings <input type="checkbox"/> Passports/ID's <input type="checkbox"/> Work / resident permits <input type="checkbox"/> Birth certificates <input type="checkbox"/> Police clearance fees <input type="checkbox"/> Any transportation and lodging costs after employment offer <input type="checkbox"/> Any transport costs between work place and home <input type="checkbox"/> Any relocation costs after commencement of employment <input type="checkbox"/> New hire training / orientation fees <input type="checkbox"/> Medical exam fees <input type="checkbox"/> Deposit bonds or other deposits <input type="checkbox"/> Any other non-monetary assets <input type="checkbox"/> Other – C1: If other, please give details:
D: If any checked, give details:	NIL

Migrant Workers: <i>The term "migrant worker" refers to a person who is engaged or has been engaged in a remunerated activity in a country of which they are not a national or permanent resident or has purposely migrated on a temporary basis to another in-country region to seek and engage in a remunerated activity</i>		
A: Type of work undertaken by migrant workers:	No migrant worker in this facility	
B: Please give details about recruitment agencies for migrant workers:	B1: Total number of (in country recruitment agencies) used: 0 B2: Total number of (outside of local country) recruitment agencies used: 0	
C: Are migrant workers' voluntary deductions (such as for remittances) confirmed in writing by the worker and is evidence of the transaction supplied by the facility to the worker?	<input type="checkbox"/> Yes NA <input type="checkbox"/> No C1: Please describe finding:	C2: Observations: NIL
D: Are Any migrant workers in skilled, technical, or management roles <i>Migrant Workers (this should include all migrant workers including permanent workers, temporary and/or seasonal workers)</i>	<input type="checkbox"/> Yes NA <input type="checkbox"/> No D1: If yes, number and example of roles:	

NON-EMPLOYEE WORKERS

Recruitment Fees:	
A: Are there any fees?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
B: If yes, check all that apply:	<input type="checkbox"/> Recruitment / hiring fees <input type="checkbox"/> Service fees <input type="checkbox"/> Application costs <input type="checkbox"/> Recommendation fees <input type="checkbox"/> Placement fees <input type="checkbox"/> Administrative, overhead or processing fees <input type="checkbox"/> Skills tests <input type="checkbox"/> Certifications <input type="checkbox"/> Medical screenings <input type="checkbox"/> Passports/ID's <input type="checkbox"/> Work / resident permits <input type="checkbox"/> Birth certificates <input type="checkbox"/> Police clearance fees <input type="checkbox"/> Any transportation and lodging costs after employment offer <input type="checkbox"/> Any transport costs between work place and home <input type="checkbox"/> Any relocation costs after commencement of employment <input type="checkbox"/> New hire training / orientation fees <input type="checkbox"/> Medical exam fees <input type="checkbox"/> Deposit bonds or other deposits <input type="checkbox"/> Any other non-monetary assets <input type="checkbox"/> Other B1 – If other, please give details:
C: If any checked, give details:	NIL

Agency Workers (if applicable) <i>(workers sourced from a local agent who are not directly paid by the site, but paid by the agency. Usually the agencies are paid by the site and the wages of the individual workers are paid by the agency.)</i>	
A: Number of agencies used (average):	A1: Names if available: NA
B: Were agency workers' age / pay / hours included within the scope of this audit?	<input type="checkbox"/> Yes <input type="checkbox"/> No
C: Were sufficient documents for agency workers available for review?	<input type="checkbox"/> Yes <input type="checkbox"/> No
D: Is there a legal contract / agreement with all agencies?	<input type="checkbox"/> Yes <input type="checkbox"/> No

	D1: Please give details:
E: Does the site have a system for checking labour standards of agencies? If yes, please give details.	<input type="checkbox"/> Yes <input type="checkbox"/> No E1: Please give details:

Contractors:	
<i>Note: contractors in this context are generally individuals who supply several workers to a site. Usually the contractors are paid by the site and the wages of the workers are paid by the contractor. Common terms include, gang bosses, labor provider,</i>	
A: Any contractors on site?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No A1: If yes, how many contractors are present, please give details:
B: If Yes , how many workers supplied by contractors?	NIL
C: Do all contractor workers understand their terms of employment?	<input type="checkbox"/> Yes NA <input type="checkbox"/> No C1: Please describe finding:
D: If Yes , please give evidence for contractor workers being paid per law:	

8A: Sub-Contracting and Homeworking

[\(Click here to return to summary of findings\)](#)

[\(Click here to return to Key Information\)](#)

8A.1 There should be no sub-contracting unless previously agreed with the main client.

8A.2 Systems and processes should be in place to manage sub-contracting, homeworking and external processing.

Note to auditor on homeworking:

Report on whether it is direct or via agents. How many workers, relationship with site and what control systems are in place.

Note to auditor on subcontracting: auditor should use this section for subcontractors of part made or wholly made finished goods, this section should not be used for raw material manufacturers unless instructed otherwise by customers

Current Systems and Evidence Examined

To complete 'current systems' Auditors examine policies and written procedures in conjunction with relevant managers, to understand, and record what controls and processes are currently in place e.g. record what policies are in place, what relevant procedures are carried out, who is/are responsible for the management of this item of the code. Evidence checked should detail any documentary or verbal evidence shown to support the systems.

Current systems:

- Factory is not sub-contracting any of its operation

Evidence examined – to support system description (Documents examined & relevant comments. Include renewal/expiry date where appropriate):

- Factory policy and procedure for sub-contracting
- Review of the production records
- Gate passes and inward outward goods register

If any processes are sub-contracted – please populate below boxes

Process Subcontracted	Process 1	Process 2
Name of factory		
Address		
Process Subcontracted	Process 3	Process 4
Name of factory		
Address		
Process Subcontracted	Process 5	Process 6
Name of factory		
Address		

Details:

Non-compliance:

1. Description of non-compliance: NIL <input type="checkbox"/> NC against ETI/Additional Elements <input type="checkbox"/> NC against customer code: Local law and/or ETI /Additional Elements requirement: Recommended corrective action:	Objective evidence observed: (where relevant please add photo numbers) NIL
---	---

Observation:	
Description of observation: NIL Local law or ETI/Additional elements requirement: Comments:	Objective evidence observed: NIL

Good Examples observed:	
Description of Good Example (GE): NIL	Objective Evidence Observed: NIL

Summary of sub-contracting – if applicable <input checked="" type="checkbox"/> Not Applicable please x	
A: Has the auditor made a simple calculation to compare capacity with workers' work load in order to identify possible unrecorded work or undeclared sub-contracting	<input type="checkbox"/> Yes <input type="checkbox"/> No A1: Please describe:
B: If sub-contractors are used, is there evidence this has been agreed with the main client?	<input type="checkbox"/> Yes <input type="checkbox"/> No B1: If Yes , summarise details:
C: Number of sub-contractors/agents used:	
D: Is there a site policy on sub-contracting?	<input type="checkbox"/> Yes <input type="checkbox"/> No

	D1: If Yes , summarise details:
E: What checks are in place to ensure no child labour is being used and work is safe?	

Summary of homeworking – if applicable			
<input checked="" type="checkbox"/> Not Applicable please x			
A: If homeworking is being used, is there evidence this has been agreed with the main client?	<input type="checkbox"/> Yes <input type="checkbox"/> No A1: If Yes , summarise details:		
B: Number of homeworkers	B1: Male:	B2: Female:	Total:
C: Are homeworkers employed direct or through agents?	<input type="checkbox"/> Directly <input type="checkbox"/> Through Agents		C1: If through agents, number of agents:
D: Is there a site policy on homeworking?	<input type="checkbox"/> Yes <input type="checkbox"/> No		
E: How does the site ensure worker hours and pay meet local laws for homeworkers?			
F: What processes are carried out by homeworkers?			
G: Do any contracts exist for homeworkers?	<input type="checkbox"/> Yes <input type="checkbox"/> No G1: Please give details:		
H: Are full records of homeworkers available at the site?	<input type="checkbox"/> Yes <input type="checkbox"/> No		

9: No Harsh or Inhumane Treatment is Allowed

[\(Click here to return to summary of findings\)](#)

ETI

9.1 Physical abuse or discipline, the threat of physical abuse, sexual or other harassment and verbal abuse or other forms of intimidation shall be prohibited.

Additional elements:

9.2 companies should provide access to a confidential grievance mechanism for all workers

A: Are there published, anonymous and/or open channels available for reporting any violations of Labour standards and H&S or any other grievances to a 3 rd party?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No A1: Please give details: Complaint and suggestion boxes are mounted at different locations for grievance reporting
B: If Yes , are workers aware of these channels and have access? Please give details.	Purpose of complaint and suggestion boxes is known to all workers.
C: If yes, what type of mechanism is used e.g. hotline, whistle blowing mechanism, comment box etc. Please give details.	Complaint and suggestion boxes
D: Which of the following groups is there a grievance mechanism in place for?	<input checked="" type="checkbox"/> Workers <input type="checkbox"/> Communities <input type="checkbox"/> Suppliers <input type="checkbox"/> Other D1: Please give details: Factory has installed grievance box in the factory. Top management periodically reviews the system and assures to resolve suggestions from the workers of the factory.
E: Are there any open disputes?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No E1: If yes, please give details
F: Does the site encourage its business partners (e.g. suppliers) to provide individuals and communities with access to effective grievance mechanisms (e.g. helplines or whistle blowing mechanism)?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No F1: If no, please give details
G: Is there a published and transparent disciplinary procedure?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No G1: If no, please explain

H: If yes, are workers aware of these the disciplinary procedure?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No H1: If no, please give details
I: Does the disciplinary procedure allow for deductions from wages (fines) for disciplinary purposes (see wages section)?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No I1: If yes, please give details Factory deducts late and early going from workers salary which is as per law

Current Systems and Evidence Examined

To complete 'current systems' Auditors examine policies and written procedures in conjunction with relevant managers, to understand, and record what controls and processes are currently in place e.g. record what policies are in place, what relevant procedures are carried out, who is /are responsible for the management of this item of the code. Evidence checked should detail any documentary or verbal evidence shown to support the systems.

Current systems:

- During document review, worker interviews and facility visit no sign of harsh and inhumane treatment was observed.
- Factory has policy of progressive disciplinary action; no physical and mental abuses are used as disciplinary measures.

Evidence examined – to support system description (Documents examined & relevant comments. Include renewal/expiry date where appropriate):

Details:

- Factory policy and procedure
- Observation during walk through the facility
- Workers interview and discussion
- Management interview and discussion
- Records of factory disciplinary actions

Any other comments:

NIL

Non-compliance:

1. Description of non-compliance: NIL

☐ NC against ETI
☐ NC against Local Law
☐ NC against customer code:

Local law and/or ETI requirement:

Recommended corrective action:

Objective evidence observed:

(where relevant please add photo numbers)

NIL

Observation:	
Description of observation: NIL Local law or ETI requirement: Comments:	Objective evidence observed: NIL

Good Examples observed:	
Description of Good Example (GE): NIL	Objective Evidence Observed: NIL

10. Other Issue areas: 10A: Entitlement to Work and Immigration

[\(Click here to return to NC-table\)](#)

Additional Elements

10A.1 Only workers with a legal right to work shall be employed or used by the supplier.

10A.2 All workers, including employment agency staff, must be validated by the supplier for their legal right to work by reviewing original documentation.

Current Systems and Evidence Examined

To complete 'current systems' Auditors examine policies and written procedures in conjunction with relevant managers, to understand, and record what controls and processes are currently in place e.g. record what policies are in place, what relevant procedures are carried out, who is/are responsible for the management of this item of the code. Evidence checked should detail any documentary or verbal evidence shown to support the systems.

Current systems:

- During audit, no migrant worker was found working in the factory

Evidence examined – to support system description (Documents examined & relevant comments. Include renewal/expiry date where appropriate):

Details:

- Policy and procedure for employment in the factory
- List of workers
- Facility visit observed workers working on the floor

Any other comments:

NIL

Non-compliance:

1. Description of non-compliance: NIL

☐ NC against ETI/Additional Elements

☐ NC against Local Law

☐ NC against customer code:

Local law and/or ETI /Additional Elements requirement:

Recommended corrective action:

Objective evidence observed:

(where relevant please add photo numbers)

NIL

Observation:

Description of observation: NIL Local law or ETI/Additional Elements requirement: Comments:	Objective evidence observed: NIL
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Good examples observed:	
Description of Good Example (GE): NIL	Objective Evidence Observed: NIL

10. Other issue areas 10B2: Environment 2–Pillar

[\(Click here to return to summary of findings\)](#)

To be completed for a 2–Pillar SMETA Audit, and remove the following page which is 10B4 environment 4 pillar

10B2.1 Suppliers must comply with the requirements of local and international laws and regulations including having necessary permits.

10B2.2 The supplier should be aware of and comply with their end clients' environmental requirements. Note for auditors and readers, this is not a full environmental assessment but a check on basic systems and management approach.

Current Systems and Evidence Examined

To complete 'current systems' Auditors examine policies and written procedures in conjunction with relevant managers, to understand, and record what controls and processes are currently in place e.g. record what policies are in place, what relevant procedures are carried out, who is /are responsible for the management of this item of the code. Evidence checked should detail any documentary or verbal evidence shown to support the systems.

Current systems:

- Factory has established environmental policy and procedure. DCC/EM/001
- Factory has obtained NOC from relevant Environmental protection agency for the production operations carried out in the factory. EPA NOC ref # SEPA/ROK/GF-421/428/19 which was found valid till 1st April 2020.
- Facility has conducted internal and external noise level tests. Average noise level is 65 -74 db at production floors while average noise level at generator room area is 82 db. Ear plugs and ear muffs have been provided where needed. Test conducted by AIMS Tec Lab on 28-11-2019, report # AMT/DCC-4/NOV-19/NE/AL-01815.
- Factory conducted emission test analysis from Test conducted by AIMS Tec Lab on 21-12-2019, report # AMT/DCC4/DEC-19/GL/AL-01920
- Factory has conducted ambient test in the factory on 10-04-2019 through AIMS Tec Lab report # AMT/DCC4/APR-19/AQ/AL-01249. found the results within NEQS limits
-

Evidence examined – to support system description (Documents examined & relevant comments. Include renewal/expiry date where appropriate):

- Environmental policy and procedure
- Facility visit and review of the production process
- Emission Test report, AMT/DCC4/DEC-19/GL/AL-01920 dated 21-12-2019
- Noise Test report, AMT/DCC-4/NOV-19/NE/AL-01815 dated 28-11-2019.
- Ambient Air Test report, AMT/DCC4/APR-19/AQ/AL-01249 dated 10-04-2019

Any other comments:

NIL

Non-compliance:

1. Description of non-compliance: NIL <input type="checkbox"/> NC against ETI/Additional Elements <input type="checkbox"/> NC against Local Law Local law and/or ETI/Additional Elements requirement: Recommended corrective action:	Objective evidence observed: <i>(where relevant please add photo numbers)</i> NIL
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Observation:	
Description of observation: NIL Local law or ETI/additional elements requirement: Comments:	Objective evidence observed: NIL

Good examples observed:	
Description of Good Example (GE): NIL	Objective Evidence Observed: NIL

Appendix 1

<p>Comparison between ETI code and Customer's Supplier's Code. Any areas where a site complies with the Customer's Supplier Code, but not with the ETI code are discussed at the audit close out meeting and recorded on the CAPR. Note to supplier "for this customer it may not be necessary to complete corrective actions where NC's DO NOT meet the ETI code, but DO meet your customer's code. If the audit is shared with other customers who work to the ETI code or an equivalent international standard, corrective actions will be necessary."</p> <p><input type="checkbox"/> Not Applicable please x</p>	
<p>NOTE: The provisions of the ETI base Code constitute minimum and not maximum standards, and this code should not be used to prevent companies from exceeding these standards. Companies applying the ETI Base Code are expected to comply with national and other applicable law and, where the provisions of law and the ETI Base Code address the same subject, to apply that provision which affords the greater protection.</p>	<p>Instruction to Audit Company: fill in the relevant clauses from the Customer Supplier Code - where applicable.</p>
ETI Code / Additional Elements	Customer's Supplier Code equivalent
0.A. Universal Rights covering UNGP	0.A. Universal Rights covering UNGP
<p>0.A. Guidance for Observations</p> <p>0.A.1 Businesses should have a policy, endorsed at the highest level, covering human rights impacts and issues, and ensure it is communicated to all appropriate parties, including its own suppliers.</p> <p>0.A.2 Businesses should have a designated person responsible for implementing standards concerning Human rights</p> <p>0.A.3 Businesses shall identify their stakeholders and salient issues.</p> <p>0.A.4 Businesses shall measure their direct, indirect, and potential impacts on stakeholders (rights holders) human rights.</p> <p>0.A.5 Where businesses have an adverse impact on human rights within any of their stakeholders, they shall address these issues and enable effective remediation.</p> <p>0.A.6 Businesses shall have a transparent system in place for confidentially reporting, and dealing with human rights impacts without fear of reprisals towards the reporter.</p>	
0.B. Management Systems & Code Implementation	0.B. Management Systems & Code Implementation
<p>0.1 Suppliers are expected to implement and maintain systems for delivering compliance to this Code.</p>	

<p>0.2 Suppliers shall appoint a senior member of management who shall be responsible for compliance with the Code.</p> <p>0.3 Suppliers are expected to communicate this Code to all employees.</p> <p>0.4 Suppliers should communicate this code to their own suppliers and, where reasonably practicable, extend the principles of this Ethical Code through their supply chain.</p>	
ETI 1. Forced Labour	ETI 1. Forced Labour
<p>1.1 There is no forced, bonded or involuntary prison labour.</p> <p>1.2 Workers are not required to lodge "deposits" or their identity papers with their employer and are free to leave their employer after reasonable notice.</p>	
ETI 2. Freedom of association and the right to collective bargaining are respected	ETI 2. Freedom of association and the right to collective bargaining are respected
<p>2.1 Workers, without distinction, have the right to join or form trade unions of their own choosing and to bargain collectively.</p> <p>2.2 The employer adopts an open attitude towards the activities of trade unions and their organisational activities.</p> <p>2.3 Workers' representatives are not discriminated against and have access to carry out their representative functions in the workplace.</p> <p>2.4 Where the right to freedom of association and collective bargaining is restricted under law, the employer facilitates, and does not hinder, the development of parallel means for independent and free association and bargaining.</p>	
ETI 3. Working conditions are safe and hygienic	ETI 3. Working conditions are safe and hygienic
<p>3.1 A safe and hygienic working environment shall be provided, bearing in mind the prevailing knowledge of the industry and of any specific hazards. Adequate steps shall be taken to prevent accidents and injury to health arising out of, associated with, or occurring in the course of work, by minimising, so far as is reasonably practicable, the causes of hazards inherent in the working environment.</p> <p>3.2 Workers shall receive regular and recorded Health & Safety training, and such training shall be repeated for new or reassigned workers.</p> <p>3.3 Access to clean toilet facilities and to potable water, and, if appropriate, sanitary facilities for food storage shall be provided.</p>	

<p>3.4 Accommodation, where provided, shall be clean, safe, and meet the basic needs of the workers.</p> <p>3.5 The company observing the code shall assign responsibility for Health & Safety to a senior management representative.</p>	
ETI 4. Child labour shall not be used	ETI 4. Child labour shall not be used
<p>4.1 There shall be no new recruitment of child labour.</p> <p>4.2 Companies shall develop or participate in and contribute to policies and programmes which provide for the transition of any child found to be performing child labour to enable her or him to attend and remain in quality education until no longer a child.</p> <p>4.3 Children and young persons under 18 shall not be employed at night or in hazardous conditions.</p> <p>4.4 These policies and procedures shall conform to the provisions of the relevant ILO Standards.</p>	
ETI 5. Living wages are paid	ETI 5. Living wages are paid
<p>5.1 Wages and benefits paid for a standard working week meet, at a minimum, national legal standards or industry benchmark standards, whichever is higher. In any event wages should always be enough to meet basic needs and to provide some discretionary income.</p> <p>5.2 All workers shall be provided with written and understandable information about their employment conditions in respect to wages before they enter employment and about the particulars of their wages for the pay period concerned each time that they are paid.</p> <p>5.3 Deductions from wages as a disciplinary measure shall not be permitted nor shall any deductions from wages not provided for by national law be permitted without the expressed permission of the worker concerned. All disciplinary measures should be recorded.</p>	
ETI 6. Working Hours are not excessive	ETI 6. Working Hours are not excessive
<p>6.1 Working hours must comply with national laws, collective agreements, and the provisions of 6.2 to 6.6 below, whichever affords the greater protection for workers. Sub-clauses 6.2 to 6.6 are based on international labour standards.</p> <p>6.2 Working hours, excluding overtime, shall be defined by contract, and shall not exceed 48 hours per week.</p>	

<p>6.3 All overtime shall be voluntary. Overtime shall be used responsibly, taking into account all the following: the extent, frequency and hours worked by individual workers and the workforce as a whole. It shall not be used to replace regular employment. Overtime shall always be compensated at a premium rate, which is recommended to be not less than 125% of the regular rate of pay.</p> <p>6.4 The total hours worked in any 7 day period shall not exceed 60 hours, except where covered by clause 6.5 below.</p> <p>6.5 Working hours may exceed 60 hours in any 7 day period only in exceptional circumstances where all of the following are met:</p> <ul style="list-style-type: none"> – this is allowed by national law; – this is allowed by a collective agreement freely negotiated with a workers' organisation representing a significant portion of the workforce; – appropriate safeguards are taken to protect the workers' health and safety; and – The employer can demonstrate that exceptional circumstances apply such as unexpected production peaks, accidents or emergencies. <p>6.6 Workers shall be provided with at least one day off in every 7 day period or, where allowed by national law, 2 days off in every 14 day period.</p>	
ETI 7. No discrimination is practised	ETI 7. No discrimination is practised
<p>7.1 There is no discrimination in hiring, compensation, access to training, promotion, termination or retirement based on race, caste, national origin, religion, age, disability, gender, marital status, sexual orientation, union membership or political affiliation.</p>	
ETI 8. Regular employment is provided	ETI 8. Regular employment is provided
<p>8.1 To every extent possible work performed must be on the basis of recognised employment relationship established through national law and practice.</p> <p>8.2 Obligations to employees under labour or social security laws and regulations arising from the regular employment relationship shall not be avoided through the use of labour-only contracting, sub-contracting, or home-working arrangements, or through apprenticeship schemes where there is no real intent to impart skills or</p>	

<p>provide regular employment, nor shall any such obligations be avoided through the excessive use of fixed-term contracts of employment.</p> <p>Additional Elements: Responsible Recruitment</p> <p>8.3 Suppliers have full understanding of the entire recruitment process and assess all labour recruiters and intermediaries against legal and/or ethical requirements.</p> <p>8.4 There are effective management systems in place to identify and monitor the hiring and management of all migrant workers, contract workers, agency workers, temporary or casual labour. The supplier shall implement processes to enable adequate control over agencies with regards the above points and related legislation.</p> <p>8.5 Employment agencies must only supply workers registered with them.</p> <p>8.6 Workers pay no recruitment fee at any stage of the recruitment process.</p> <p>8.7 Worker contracts accurately reflect the agreed payment and terms in the recruitment process and are understood and signed by workers.</p>	
8A: Sub-Contracting and Homeworking	8A: Sub-Contracting and Homeworking
<p>8A.1 There should be no sub-contracting unless previously agreed with the main client.</p> <p>8A.2 Systems and processes should be in place to manage sub-contracting, homeworking and external processing.</p>	
ETI 9. No harsh or inhumane treatment is allowed	ETI 9. No harsh or inhumane treatment is allowed
<p>9.1 Physical abuse or discipline, the threat of physical abuse, sexual or other harassment and verbal abuse or other forms of intimidation shall be prohibited.</p> <p>Additional elements:</p> <p>9.2 companies should provide access to a confidential grievance mechanism for all workers</p>	
10. Other Issue areas: 10A: Entitlement to Work and Immigration	
<p>Additional Elements</p> <p>10A.1 Only workers with a legal right to work shall be employed or used by the supplier.</p> <p>10A.2 All workers, including employment agency staff, must be validated by the supplier for their legal right to work by reviewing original documentation.</p>	
10. Other issue areas 10B2: Environment 2-Pillar	

<p>10B2.1 Suppliers must comply with the requirements of local and international laws and regulations including having necessary permits.</p> <p>10B2.2 The supplier should be aware of and comply with their end clients' environmental requirements.</p> <p><i>Note for auditors and readers, this is not a full environmental assessment but a check on basic systems and management approach.</i></p>	
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SMETA Extra Sections for 4 Pillar Audit:	SMETA Extra Sections for 4 Pillar Audit:
Environment Section	Environment Section
<p>B.4. Compliance Requirements</p> <p>10B4.1 Businesses as a minimum must meet the requirements of local and national laws related to environmental standards.</p> <p>10B4.2 Where it is a legal requirement, businesses must be able to demonstrate that they have the relevant valid permits including for use and disposal of resources e.g. water, waste etc.</p> <p>10B4.3 Businesses shall be aware of their end client's environmental standards/code requirements</p> <p>10B4.4 Suppliers should have an environmental policy, covering their environmental impact, which is communicated to all appropriate parties, including its own suppliers.</p> <p>10B4.5 Suppliers shall be aware of the significant environmental impact of their site and its processes.</p> <p>10B4.6 The site should measure its impacts, including continuous recording and regular reviews of use and discharge of natural resources e.g. energy use, water use (see 4-pillar audit report and audit checks for details).</p> <p>10B4.7 Businesses shall make continuous improvements in their environmental performance.</p> <p>10B4.8 Businesses shall have available for review any environmental certifications or any environmental management systems documentation</p> <p>10B4.9 Businesses should have a nominated individual responsible for co-ordinating the site's efforts to improve environmental performance.</p> <p>B4. Guidance for Observations</p> <p>10B4.10 Suppliers should have completed the appropriate section of the SAQ and made it available to the auditor.</p> <p>10B4.11 Has the site recently been subject to (or pending) any fines/prosecutions for noncompliance to environmental regulations.</p>	
Business Practices Section	

10C. Compliance Requirements

10C.1 Businesses shall conduct their business ethically without bribery, corruption, or any type of fraudulent Business Practice.

10C.2 Businesses as a minimum must meet the requirements of local and national laws related to bribery, corruption, or any type of fraudulent Business Practices.

10C.3 Where it is a legal requirement, businesses must be able to demonstrate that they comply with all fiscal legislative requirements.

10C.4 Businesses shall have access to a transparent system in place for confidentially reporting, and dealing with unethical Business Ethics without fear of reprisals towards the reporter.

10C.5 Businesses should have a Business Ethics policy, covering bribery, corruption, or any type of fraudulent Business Practice,

10C.6 Businesses should have a designated person responsible for implementing standards concerning Business Ethics

10C.7 Suppliers should ensure that the staff whose job roles carry a higher level of risk in the area of ethical Business Practice e.g. sales, purchasing, logistics are trained on what action to take in the event of an issue arising in their area.



10C. Guidance for Observations













10C.8 Businesses should communicate their Business Ethics policy, covering bribery, corruption, or any type of fraudulent Business Practice to all appropriate parties, including its own suppliers.

10C.9 Has the site recently been subject to (or pending) any fines/prosecutions for non-compliance to Business Ethics regulations. If so is there evidence that sustainable corrective actions have been implemented.

Photo Form

		
Factory main gate	Inside View	Child prohibition board displayed
		
Fire Alarm Panel	Social Compliance Policies	Child Care room
		
Cargo Lift	Workers canteen	Workers time IN/out Machine
		
Safety Instructions displayed	Fire Safety Equipment's	Power Generators

		
Fire Extinguishers	Fire Hydrant Point	Evacuation plan
		
Cutting Section	Stitching Area	Pressing Section
		
Embroidery Section	Packing section	Smoke Detector
		
Generator Oil with MSDS	Fabric Storage	Finished Goods Store

		
Pathways Marked	First Aid Box	Assembly Point
		
Emergency Exit	Fire Alarm call point	Emergency Stairs
		
EHS Committee displayed	Worker wearing PPEs	Complaint Box
		
Pulley Cover not installed	Safety Guard not Installed	Drinking Water point not marked

		
<p>Rubber mat not placed under electric panel</p>	<p>Pathway partially blocked</p>	<p>Cutting Workers not wearing face mask</p>
		
<p>Worker not wearing eye protection glass</p>	<p>Male Workers Canteen found untidy</p>	<p>Insufficient supplies</p>
		
<p>Nozzle guard missing</p>	<p>Insulation missing</p>	



For more information visit: [Sedexglobal.com](https://www.sedexglobal.com)

Your feedback on your experience of the SMETA audit you have observed is extremely valuable. It will help to make improvements to future versions.

You can leave feedback by following the appropriate link to our questionnaire:

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

[http://www.surveymonkey.com/s.aspx?sm=riPsbE0PQ52ehCo3lnq5lw_3d_3d](https://www.surveymonkey.com/s.aspx?sm=riPsbE0PQ52ehCo3lnq5lw_3d_3d)

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

[http://www.surveymonkey.com/s.aspx?sm=d3vYsCe48fre69DRglY_2brg_3d_3d](https://www.surveymonkey.com/s.aspx?sm=d3vYsCe48fre69DRglY_2brg_3d_3d)

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

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