

Sedex Members Ethical Trade Audit (SMETA) Report

Version 5.0 Dec 2014, 2/4 Pillar Audit; replaces version 4.0 May 2012

Supplier name:	Al-Riaz Knitwear (Pvt.) Limited	
Site country:	Pakistan	
Site name:	Al-Riaz Knitwear (Pvt.) Limited	
Parent Company name (of the site):	None	
SMETA Audit Type:	<input checked="" type="checkbox"/> 2– Pillar	<input type="checkbox"/> 4–Pillar
Date of Audit	14-03-2015	

Audit Content:

- (1) A SMETA audit was conducted which included some or all of Labour Standards, Health and Safety, Environment and Business ethics. The SMETA Best Practice Guidance Version 5 December 2015 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
 - Management systems and code implementation,
 - 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 new ETI Working Hours Clause
 - Now integrated into this latest SMETA version.

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.





Accordia Global Compliance Group

Audit Company Name:	Report Owner (payee): (If paid for by the customer of the site please remove for Sedex upload) Al-Riaz Knitwear (Pvt.) Limited
Sedex Company Reference: (only available on Sedex System)	S: 000000083216
Sedex Site Reference: (only available on Sedex System)	P: 000000184426

Audit Conducted By			
Commercial	<input checked="" type="checkbox"/>	Purchaser	<input type="checkbox"/>
NGO	<input type="checkbox"/>	Retailer	<input type="checkbox"/>
Trade Union	<input type="checkbox"/>	Brand Owner	<input type="checkbox"/>
Multi-stakeholder	<input type="checkbox"/>	Combined Audit (select all that apply)	

Auditor Reference Number: (If applicable)	NA
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SMETA Declaration

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

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

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

Lead auditor: Sajjad Ali

Team auditor: Fahim ur Rahman

Interviewers: Sajjad Ali

Date: 14-03-2015

Non-Compliance Table

Issue (please click on the issue title to go direct to the appropriate audit results by clause)	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*:		
	ETI Base Code	Local Law	Additional Elements (i.e. not part of ETI code)	NC	Obs	GE
0 Management systems and code implementation	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>			
1 Employment Freely Chosen	<input type="checkbox"/>	<input type="checkbox"/>				
2 Freedom of Association	<input type="checkbox"/>	<input type="checkbox"/>				
3 Safety and Hygienic Conditions	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>		08		
4 Child Labour	<input type="checkbox"/>	<input type="checkbox"/>				
5 Wages and Benefits	<input type="checkbox"/>	<input checked="" type="checkbox"/>		02		01
6 Working Hours	<input type="checkbox"/>	<input type="checkbox"/>				
7 Discrimination	<input type="checkbox"/>	<input type="checkbox"/>				
8 Regular Employment	<input type="checkbox"/>	<input type="checkbox"/>				
8A Sub-Contracting and Homeworking		<input type="checkbox"/>	<input type="checkbox"/>			
9 Harsh or Inhumane Treatment	<input type="checkbox"/>	<input type="checkbox"/>				
10A Entitlement to Work		<input type="checkbox"/>	<input type="checkbox"/>			
10B2 Environment 2-Pillar		<input checked="" type="checkbox"/>	<input type="checkbox"/>	01		
10B4 Environment 4-Pillar		<input type="checkbox"/>	<input type="checkbox"/>			
10C Business Ethics		<input type="checkbox"/>	<input type="checkbox"/>			

*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.

Summary of Findings

Summary of main findings: (positive and negative)
(Please give a short summary of the main findings per clause)

Audit Process:

This Full initial audit was conducted by Accordia Global compliance group. Two auditors assessed / verified the factory's operations against the ETI Base Code and local legislations on a sampling basis in one day.

Overview of opening meeting, factory management responses

At 09:05am, auditors entered the facility then held an opening meeting according to the ETI Base Code; the facility HR & compliance manager and HR officer were present in the meeting. They stated that they would be co-operative with this audit.

During the audit 26 workers' payment of wages and time records for the month of February 2015, October 2014 & April 2014 were verified and assessed besides the records of personal files, training records, accidents and Injuries logs and register, leave record etc.

In general the facility found in compliance to its policies and procedures meeting the requirements of ETI code and local laws, except 11 non-compliances were found in areas of Safety and Hygienic Conditions, Wages and Benefits and Environment (2-Pillar) as per given below details;

- **N. C # 01:** As per review of fire Drill record, it was noted that last emergency evacuation drill was conducted on June 16, 2014, after which no emergency evacuation drill was conducted by the facility.
- **N. C # 02:** No evidence found that the facility has arranged chemical, PPE usage and machine safety training for workers.
- **N. C # 03:** No evidence found that the facility has acquired approved building plan.
- **N. C # 04:** No fire alarm system was found installed at main store and sample department.
- **N. C # 05:** No emergency exit was found at main store in basement.
- **N. C # 06:** The facility has provided only cooking area in the facility, whereas no dining area provided for workers
- **N. C # 07:** It was noted that, 02 of the CO₂ fire extinguishers were found obstructed/blocked by table at packing department.
- **N. C # 08:** No evacuation plan was found displayed at sample department on ground floor.
- **N. C # 09:** No evidence found that the facility provides Group Insurance to its all permanent workers as required by local law- Group Insurance, Section 10-B.
- **N. C # 10:** During workers interview and review of payment records it was revealed that the facility is not paying annual bonus to its eligible workers as required by local law requirement of Industrial & Commercial Employment ordinance 1968 section 10-C.
- **N. C # 11:** No evidence found the facility has arranged gaseous emissions test of its Power generator.

As positive findings the facility has well defined and implemented Social policies and procedures understood by all workers. Non-use of child labour policy and procedure is implemented in the facility. There was no sign of forced labour or prison labouring was found in the factory during audit. There was no evidence of discrimination in employment, compensation, promotion, welfare, dismissal and retirement found in the factory during the workers interview, documents review and walkthrough of the factory. In addition no evidence of mental/physical coercion identified during the audit. Working hours in the factory were found as per local laws & regulations.

Audit Details

Audit Details			
A: Report #:	AR14032015		
B: Time in and time out (SMETA Best Practice Guidance and Measurement Criteria recommends 9.00–17.00 hrs. if any different please state why in the SMETA declaration)	Day 1 Time in: 9:05 Day 1 Time out: 18:05	Day 2 Time in: NA Day 2 Time out: NA	Day 3 Time in: NA Day 3 Time out: NA
C: Number of Auditor Days Used: (number of auditor x number of days)	02 x 01=02 Man days		
D: Audit type:	<input checked="" type="checkbox"/> Full Initial <input type="checkbox"/> Periodic <input type="checkbox"/> Full Follow-up <input type="checkbox"/> Partial Follow-Up <input type="checkbox"/> Partial Other – Define		
E: Was the audit announced? (AAG recommends a window of three weeks for semi-announced, this gives optimum results)	<input type="checkbox"/> Announced <input checked="" type="checkbox"/> Semi – announced: Window detail: 02 weeks <input type="checkbox"/> Unannounced		
F: Was the Sedex SAQ available for review?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No		
If No , why not? (Examples would be, site has not completed SAQ, site has not been asked to complete the SAQ.)	NA		
G: 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		
H: Auditor name(s) and role(s):	Sajjad Ali (Lead Auditor) and Fahim ur Rahman (Team member)		
I: Report written by:	Sajjad Ali		
J: Report reviewed by:	Chris Hayes		
K: Report issue date:	8 April 2015		
L: Supplier name:	Al- Riaz Knitwear (Pvt) Limited		
M: Site name:	Al- Riaz Knitwear (Pvt) Limited		
N: Site country:	Pakistan		

O: Site contact and job title:	Mr. Wajid Sheikh, Director			
P: Site address: (Please include full address)	2 Kms Defence Road Mohlanwal, 22 Kms Multan Road, Lahore-Pakistan			
Site phone:	+92-42-3596647-48			
Site fax:	None			
Site e-mail:	wajid@alriazknit.com			
Q: Applicable business and other legally required licence numbers: for example, business license no, and liability insurance	NTN # 1411935-8, Sales Tax Registration no.03-05-6200-050-28, Directorate of Labour Welfare No. F/LR/SZ/Lahore/265, Lahore Chamber of Commerce Industry-membership # 61688-C and Certificate of incorporation registration no. L 04369			
R: Products/Activities at site, for example, garment manufacture, electricals, toys, grower	Product: Manufacture of Knitted Garments i.e. Hoods, T-Shirts, Trouser, Tops, etc Process: Cutting, Stitching, Clipping, Checking, Pressing and Packing.			
S: Audit results reviewed with site management?	Yes			
T: Who signed and agreed CAPR (Name and job title)	Mr. Saeed Ahmed Noor , Manager Admin, HR & Compliance			
U: Did the person who signed the CAPR have authority to implement changes?	Yes			
V: Present at closing meeting (Please state name and position, including any workers/union reps/worker reps):	Mr. Saeed Ahmed, Manager Admin, HR & Compliance Mr. Hafiz Khalil Ahmed, HR Officer Mr. Khalid Beigh, Head of Worker management communication committee			
W: What form of worker representation / union is there on site?	<input type="checkbox"/> Union (name) <input type="checkbox"/> Worker Committee <input checked="" type="checkbox"/> Other (specify) Worker management communication committee <input type="checkbox"/> None			
X: Are any workers covered by Collective Bargaining Agreement (CBA)	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No			
Y: Previous audit date:	NA			
Z: Previous audit type:		SMETA 2-pillar	SMETA 4-pillar	Other
	Full Initial	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

	Periodic	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	Full Follow-Up Audit	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	Partial Follow-Up	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	Partial Other*	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	*If other, please define:			

Audit Scope/Actual Results

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: 8hours/ day & 48hours/week	8hours/ day & 48hours/week	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
B: Legal Overtime hours: (Maximum legal and actual overtime hours, please state if possible per day, week and month)	Legal maximum: 2 hours/day & 12 hours/week	00	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
C: Legal age of employment: (Minimum legal and actual minimum age at site)	Legal minimum: 18 year old	19 year old	
D: Legal minimum 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: Rs. 12,000/month and Rs. 461.5/day	Rs. 12,000/month and Rs. 461.5/day	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
E: Legal minimum overtime wage: (Minimum legal and actual minimum overtime wage at site, please state if possible per hr, day, week and month)	Legal minimum: Double the normal rate.	Double the normal rate.	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No

Audit Scope

(Please select the code and additional requirements that were audited against during this audit)

2–Pillar Audit	<input checked="" type="checkbox"/>
10B4: Environment 4–Pillar	<input type="checkbox"/>
10C: Business Ethics	<input type="checkbox"/>
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.	<input checked="" type="checkbox"/>

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

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

Audit Overview

Audit Overview																														
	Management	Worker Representatives																												
Audit attendance	Senior management	Worker Committee representatives	Union representatives																											
A: Present at the opening 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																											
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)	NA																													
E: If Union Representatives were not present please explain reasons why: (only complete if no union reps present)	Worker management communication committee																													
F: Site description: (Include size, location and age of site. Also include structure and number of buildings)	<p>The facility is located in industrial cum commercial area where small & medium textile industries exist. The facility has direct access to motorway via Defence Road towards the seaports of Karachi about 1100 km away. The facility buildings are shared with other business (textile processing) which is separated by the entry gates. The facility has 04 building blocks with approximate covered area of 20,500 Sq. Ft. as per following details:</p> <table border="1"> <thead> <tr> <th>Production Building no. 1</th> <th>Description</th> <th>Remark, if any</th> </tr> </thead> <tbody> <tr> <td>Ground Floor</td> <td>Time Offices, Security room and Power Generator (Stand-by) area & Canteen</td> <td>none</td> </tr> <tr> <td>Is this a shared building?</td> <td>No</td> <td></td> </tr> <tr> <th>Production Building no. 2</th> <th>Description</th> <th>Remark, if any</th> </tr> <tr> <td>Basement</td> <td>Main Store</td> <td></td> </tr> <tr> <td>Ground Floor</td> <td>Finished goods ware house, Packing, Finishing/checking, Pressing & Clipping department.</td> <td>None</td> </tr> <tr> <td>Floor 1</td> <td>Stitching hall 01, 02, 03 & 04</td> <td>None</td> </tr> <tr> <td>Floor 2</td> <td>Cutting department</td> <td>None</td> </tr> <tr> <td>Is this a shared building?</td> <td>No</td> <td></td> </tr> </tbody> </table>			Production Building no. 1	Description	Remark, if any	Ground Floor	Time Offices, Security room and Power Generator (Stand-by) area & Canteen	none	Is this a shared building?	No		Production Building no. 2	Description	Remark, if any	Basement	Main Store		Ground Floor	Finished goods ware house, Packing, Finishing/checking, Pressing & Clipping department.	None	Floor 1	Stitching hall 01, 02, 03 & 04	None	Floor 2	Cutting department	None	Is this a shared building?	No	
Production Building no. 1	Description	Remark, if any																												
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Floor 2	Cutting department	None																												
Is this a shared building?	No																													

	<table border="1"> <thead> <tr> <th>Production Building no. 3</th> <th>Description</th> <th>Remark, if any</th> </tr> </thead> <tbody> <tr> <td>Ground Floor</td> <td>Under construction Fabric finishing found installed but not in operation</td> <td>Shared with other business. Not covered in audit scope</td> </tr> <tr> <td>Is this a shared building?</td> <td>Yes</td> <td>Shared with other business. Not covered in audit scope</td> </tr> </tbody> </table>			Production Building no. 3	Description	Remark, if any	Ground Floor	Under construction Fabric finishing found installed but not in operation	Shared with other business. Not covered in audit scope	Is this a shared building?	Yes	Shared with other business. Not covered in audit scope						
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	Is this a shared building?	Yes	Shared with other business. Not covered in audit scope															
	<table border="1"> <thead> <tr> <th>Production Building no. 4</th> <th>Description</th> <th>Remark, if any</th> </tr> </thead> <tbody> <tr> <td>Ground Floor</td> <td>Prayer area, Offices, Sample department.</td> <td>Ground floor also shared with other business</td> </tr> <tr> <td>Floor 1</td> <td>Shared with other business</td> <td>None</td> </tr> <tr> <td>Floor 2</td> <td>Shared with other business</td> <td>None</td> </tr> <tr> <td>Is this a shared building?</td> <td>Yes</td> <td>Ground floor partially & first and second floors are completely shared with other business. Not covered in audit scope</td> </tr> </tbody> </table>			Production Building no. 4	Description	Remark, if any	Ground Floor	Prayer area, Offices, Sample department.	Ground floor also shared with other business	Floor 1	Shared with other business	None	Floor 2	Shared with other business	None	Is this a shared building?	Yes	Ground floor partially & first and second floors are completely shared with other business. Not covered in audit scope
	Production Building no. 4	Description	Remark, if any															
	Ground Floor	Prayer area, Offices, Sample department.	Ground floor also shared with other business															
	Floor 1	Shared with other business	None															
	Floor 2	Shared with other business	None															
	Is this a shared building?	Yes	Ground floor partially & first and second floors are completely shared with other business. Not covered in audit scope															
<p>Factory Shift Timings: The factory is operating in 01 shift except security staff as per below timings: Timings: 09:00 am – 06:00 pm including 01 hour lunch and tea break Security staff Shift A-Timings: 06:00 am – 02:00 pm, Shift B- Timings: 02:00 pm – 10:00 pm & Shift C- Timings: 10:00 pm – 06:00 am</p> <p>Existing total strength of the factory was 260 out of total 11 are female. This includes 240 production employee and 20 non-production (management) employees. All workers are on monthly salary and wages basis.</p>																		
<p>G: Site function:</p> <p> <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 </p>																		

H: Month(s) of peak season: (if applicable)	April- September
I: Process overview: (Include products being produced, main operations, number of production lines, main equipment used)	
<p>Product: Manufacture of Knitted Garments i.e. Hoods, T-Shirts, Trouser, Tops, etc</p> <p>Process: Cutting, Stitching, Clipping, Checking, Pressing and Packing.</p> <p>Number of production lines and main equipment/ machines: There were 02 Cutting lines, 03 straight knife cutters, 08 lines of 170 sewing machines, 15 rivet button machines, 03 lines for checking, 01 line of steam pressing, 03 lines for packing, carton 01 wrapping</p> <p>Production Capacity: Per month production capacity of knitted garments 30,000 Pcs</p>	
J: 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	
<p>During the audit 26 workers including 03 female workers were randomly selected from different departments of various religions and communities. During interviews workers found positive and cooperative. None of the worker gives any negative comments over the facility practices and management attitude. Workers found satisfied with the work environment, they were happy to get the monthly payment on time. Female workers satisfied from the facilities provided to them, they feel secured to work in the factory. In general there was no negative comment from any worker during the interview.</p>	
K: Attitude of workers 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	
<p>Representative of Worker management communication committee was available in opening and closing meeting showed positive attitude and provided all the information related to Worker management communication committee practices openly. They were all found well aware about the company policies and procedures and their role to meet the requirements of social compliance.</p>	
L: Attitude of managers: (Include attitude to audit, and audit process. Both positive and negative information should be included)	
<p>Top management was available in opening and closing meeting, management found very positive on findings and showed positive attitude. Managers involved in audit process expressed a positive attitude and provided all the information related to processes and practices openly. They were all found well aware about the company policies and procedures and their role to meet the requirements of social compliance.</p>	

Key Information

Key Information (click on the key information title to go to appropriate section of the report)		
A: Do all workers (including migrant workers) have contracts of employment/employment agreements? (Go to clause 8 – Regular Employment)	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	
B: Are maximum standard/contracted working hours clearly defined in contract/employment agreements? (Go to clause 8 – Regular Employment)	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	
C: Were appropriate records available to verify hours of work and wages? (Go to clause 5 – Living Wage)	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	
D: Were any inconsistencies found? (if yes describe nature) (Go to Wages Table)	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No <input type="checkbox"/> Poor record keeping <input type="checkbox"/> Isolated incident <input type="checkbox"/> Repeated occurrence	
E: For the lowest paid production workers, are wages paid for standard/contracted hours (excluding overtime) below or above the legal minimum? (Go to clause 5 – Living Wage)	Wages found:	Please indicate the breakdown of workforce according to earnings:
	<input type="checkbox"/> Below legal min <input checked="" type="checkbox"/> Meet <input type="checkbox"/> Above	____ % of workforce earning under min wage <u>100</u> % of workforce earning min wage ____ % of workforce earning above min wage
F: % of piece rate workers: (if applicable)	38%	
G: Do the standard/contracted hours stated in a contract/employment agreement exceed the law or 48 hours per week? (Go to clause 6 – Working hours)	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	
H: If yes, what are the standard/contracted hours per week as stated in the contract/employment agreement? (Go to clause 6 – Working hours)	____ hrs/week	Approx. ____ % of ALL workers on these contacted hours
I: Combined hours (standard/contracted plus overtime = total hours) over 60 per week found? (Go to Working Hours Analysis)	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	
J: Are workers provided with 1 day off in every 7-day-period, or 2 in 14-day-period (where the law allows)?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No If 'No', please explain:	

K: Are the correct legal overtime premiums paid? (Go to Wages Table)	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> NA – there is no legal requirement to OT premium
L: Please state what actual OT is paid. (As a percentage of the workers standard rate) (Go to Working Hours Analysis)	<i>Please give details of overtime premium as a % of standard wages:</i> <input type="checkbox"/> 0% <input type="checkbox"/> 1% – 115% <input type="checkbox"/> 116% – 124% <input type="checkbox"/> 125% – 199% <input checked="" type="checkbox"/> 200%+ Please give details: Double of normal rate
M: Is there any night production work at the site?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
N: % of workers living in site provided accommodation (if applicable):	NA
O: Age of youngest worker found: (Go to clause 4 – Child labour)	No young worker found.
P: Workers under 18 subject to hazardous work assignments? (Go to clause 3 – Health and Safety)	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
% of under 18's at this site (of total workers)	0%
Q: What form of worker representation/union is there on site? (Go to clause 2 – Freedom of Association)	<input type="checkbox"/> Union (name) <input type="checkbox"/> Worker Committee <input checked="" type="checkbox"/> Other (specify) Worker management communication committee <input type="checkbox"/> None
R: Is it a legal requirement to have a union? (Go to clause 2 – Freedom of Association)	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
S: Is It a legal requirement to have a workers committee? (Go to clause 2 – Freedom of Association)	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
T: Is there any other form of effective worker/management communication channel? (Other than union/worker committee) (Go to clause 2 – Freedom of Association)	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No Describe: Facility has a Worker management communication committee comprised of workers from different departments of the factory elected through their recognition and acceptance by themselves. Worker management communication committee was formed to settle the issues of workers and to provide a platform to convey any complaint/demand from the workers to the top management. Besides Workers management council the facility has documented procedure of grievance handling, in which the mechanism of lodging complaints from the workers is defined. The facility has suggestion

	boxes through which workers can communicate their problems and suggestions to the management in a confidential manner directly.
U: Are there any External Processes? (Go to clause 8A – Sub-contracting and Home working)	<input type="checkbox"/> Sub-Contracting <input type="checkbox"/> Homeworking <input type="checkbox"/> Other External Process <input checked="" type="checkbox"/> No external processes

Management Systems

Management Systems:	
A: Nationality of Management	Pakistani
B: Gender breakdown of Management + Supervisors <i>(Include as one combined group)</i>	Male: 97 % Female : 03 %
C: Majority nationality of workers	Pakistani
D: Number of workers leaving in last 12 months as a % of average total number of workers on site over the year (annual worker turnover)	10 %
E: Were accurate records shown at the first request?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
F: If No , why not?	NA
G: 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 Please describe:
H: 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 Please describe:
I: If Yes , is there evidence (an indication) of effective implementation? Please give details.	The facility has HR & Compliance dept. for hiring processes and Mr. Saeed Ahmed Manager HR & admin, responsible to implement, monitor policies and procedures of forced labour, child labour, discrimination, harassment & abuse and giving training as per plan to relevant individuals.
J: 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 Please describe: Training records found properly maintained.
K: If Yes , is there evidence (an indication) that training has been effective e.g. training records etc.? Please give details	Records of last training, dated 07/02/2015, found maintained and reviewed. Workers and management interviews verified that they were found educated about company policies and procedures related to forced labour, child labour, discrimination, harassment & abuse
L: 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 type="checkbox"/> Yes <input checked="" type="checkbox"/> No Please describe:
M: If Yes , are workers aware of these channels? Please give details.	NA

N: Have health and safety risks been identified e.g. through internal audits, formal risk analysis process, worker involvement etc.?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No Please describe: The facility has conducted detailed risk assessment and covered each area/process in the facility.
O: If Yes , has effective action been taken to reduce or eliminate these risks?	During document review and factory tour identified risks found corrected and controlled.
P: Are accidents recorded?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No Please describe: The facility has accident/injury form to report accidents with investigation reports. During review of register minor injuries found recorded.
Q: Has the auditor made a simple calculation to compare capacity with workers' work load in order to identify possible unrecorded work hours?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No Please describe: By review of current and past PO records & annual production trends
R: Does the site have all required land rights licenses and permissions (see <i>SMETA Measurement Criteria</i>)?	Yes
S; Does the site have any internationally recognised system certifications e.g. ISO 9000, 14000, OHSAS 18000, SA8000 (or other social audits). <i>Please detail (Number and date).</i>	None
T: Is there a Human Resources manager/department? If Yes, please detail.	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No Please describe: HR & Compliance staff is responsible to perform all activities related hiring process

Worker Analysis

Worker Analysis								
	Local			Migrant				Total
	Permanent	Temporary	Agency	Permanent	Temporary	Agency	Home workers	
Worker numbers – male	160	89	0	0	0	0	0	249
Worker numbers – female	0	11	0	0	0	0	0	11
Total	160	90	0	0	0	0	0	260
Number of Workers interviewed	15	11	0	0	0	0	0	26

Contractors:

(Individuals supplying workers to site with the workers paid by contractors, not by site)

A: Any contractors on site?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
B: If Yes , how many workers supplied by contractors	NA
C: Are all contractor workers paid according to law?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
If Yes , Please give evidence for contractor workers being paid according to law:	NA

Migrant Workers:

(Please see SMETA Best Practice Guidance and Measurement Criteria for definitions of migrant workers)

D: Originating Locations/Countries:	NA
E: Type of work undertaken by migrant workers :	NA
F: Were migrant workers recruited through an agency? If yes, please give details.	<input type="checkbox"/> Yes <input type="checkbox"/> No Please describe: NA
If Yes , is there a contract with	NA

the agency? Provide details of agencies and contractual arrangements including any fees lodged during the recruitment process.	
G: 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 Please describe: NA
H: Percentage of migrant workers in company provided accommodation:	NA

Audit Results by Clause

0: Managements system and Code Implementation

[\(click here to return to NC Table\)](#)

- 0.1 Suppliers are expected to implement and maintain systems for delivering compliance to this Code.
- 0.2 Suppliers shall appoint a senior member of management who shall be responsible for compliance with the Code.
- 0.3 Suppliers are expected to communicate this Code to all employees.
- 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.

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:

The facility has defined Policies and procedures related to social compliances including all Terms of ETI Code and requirements of applicable local laws in its Policy and procedure Manual. ETI Code displayed at main gate and production floors.

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

1. Facility Management systems Policy and Procedure Manual reviewed
2. Written communications to suppliers/ Acknowledged commitment form from suppliers.
3. During Facility tour, ETI Code displayed at main gate and production floors.

Company has communicated the code to suppliers by providing the copy of this code and acknowledgement of their consent & understanding of reasonable practice of the code and extend this ethical code throughout their supply chain.

The facility has appointed Mr. Saeed Ahmed– Manager Admin, HR & Compliance is responsible for the compliance of this code.

Non-compliance:

1. Description of non-compliance: <input type="checkbox"/> NC against ETI/Additional Elements None observed <input type="checkbox"/> NC against Local Law Local law and/or ETI requirement: Recommended corrective action: 2. Description of non-compliance: <input type="checkbox"/> NC against ETI/Additional Elements None observed <input type="checkbox"/> NC against Local Law Local law and/or ETI requirement: Recommended corrective action:	Objective evidence observed: During the factory tour
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Observation:	
Description of observation: None observed Local law or ETI requirement: Comments:	Objective evidence observed:

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

1: Employment is Freely Chosen

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

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:

As per Company policy on Forced Labor, the company will not appoint any forced, bonded and involuntary prison labour and it is strictly prohibited in the company.

All employees working in the facility voluntarily, as observed and evident from the review of the records.

As per recruitment policy every applicant needs to apply for his/ her desired position by filling an application form by himself with signature and after the process of screening, interview and selection and subsequent employment agreement every employee needs to sign the appointment letter as acceptance of employment voluntarily with the inclusion of a declaration that he/she is joining the factory at his/her own free will without any undue pressure from anybody.

During interview, employment test and employment agreement workers are also informed about forced labor policy.

Security guards only posted at locations where needed for security purposes. Security forces are employed only for guarding the property and personnel of the company. During the facility visit, no exaggerated security measures or Logistics were noticed. Security guards found aware about job responsibility.

The atmosphere in the facility appeared normal and no sign of fear or exaggerated obedience displayed by employees was noticed.

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

1. The facility has defined a policy on Forced labour and allows employees to visit toilets, medical centre, drinking water stations and to say their prayers as and when required.

2. It was noted through management interview, worker interview and document review that company is not keeping deposits or original identity papers of employees for the employment.

3. The appointment letter includes all terms & conditions related to the job and include a statement that the worker has read and understood all terms and accept to join on voluntarily basis. The appointment letter is signed both by the workers and the factory.

4. Company has defined a Termination policy which clearly states that workers are free to leave with reasonable notice which fully complies with the local law.

5. Company has provided Job contract to every employees which states that any employees are free to leave with a

reasonable notice as per the conditions of employment by local law.

6. Overtime is on voluntary basis and workers are free to leave once the regular shift hours are finished.

Non-compliance:

1. Description of non-compliance:

☐ NC against ETI ☐ NC against Local Law:

None observed

Local law and/or ETI requirement

Recommended corrective action:

2. Description of non-compliance:

☐ NC against ETI ☐ NC against Local Law

Local law and/or ETI requirement:

Recommended corrective action:

Objective evidence observed:

(where relevant please add photo numbers)

Observation:

Description of observation:

Local law or ETI requirement:

Comments:

Objective evidence observed:

Good Examples observed:

Description of Good Example (GE):

Objective evidence observed:

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

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

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:

The management has documented policy, procedures and practices to recognize and respect the lawful rights of freedom of association and collective bargaining of workers.

The policy clearly states that the workers are free to join or form union of their own choice. Since the workers have not formed any union in the factory, the facility has Worker management communication committee as per law.

Worker management communication committee formed to settle the issues of workers and to convey any complaint/demand to the top management.

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

1. "Freedom of Association & right to collection bargaining Policy" clearly states that workers representatives are not discriminated against and have the access to carry out their activities in the workplace without any coercion from the management.
2. Monthly meeting minutes of Worker management communication committee found maintained, last meeting minute records dated 26/02/2015 reviewed and minutes also found displayed on the notice board to communicate with all workers.
3. Election notice and pictures of elections
4. During discussions on floor with council representatives and workers interviews.

Non-compliance:

1. Description of non-compliance:

☐ NC against ETI ☐ NC against Local Law
 None observed

Local law and/or ETI requirement:

Objective evidence observed:

(where relevant please add photo numbers)

Recommended corrective action:

2. Description of non-compliance:

☐ NC against ETI ☐ NC against Local Law
None observed

Local law and/or ETI requirement:

Recommended corrective action:

Observation:

Description of observation:

None observed

Local law or ETI requirement:

Comments:

Objective evidence observed:

A: Name of union and union representative, if applicable:

It's a non-union facility. No registered union exists.

Is there evidence of free elections?
☐ Yes ☐ No ☒ NA

B: If no union what is parallel means of consultation with workers e.g. worker committees?

Worker Council

Is there evidence of free elections?
☒ Yes ☐ No ☐ NA

C: Were worker representatives/union representatives interviewed

☒ Yes ☐ No
If **Yes**, please state how many:

D: State any evidence that union/workers committee is effective?
Specify date of last meeting; topics covered; how minutes were communicated etc.

Last Worker management communication committee meeting was held in 26/02/2015. Having agenda related to issues and problems faced by the workers. Minutes of the meeting are distributed to all participants and also displayed on notice board inside the department.

E: Are any workers covered by Collective Bargaining Agreement (CBA)

☐ Yes ☒ No

F: If **Yes** what percentage by trade Union/worker representation

____% workers covered by Union CBA

____% workers covered by worker rep CBA

G: If **Yes**, does the Collective Bargaining Agreement (CBA) include rates of pay

☐ Yes
☒ No

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

3: Working Conditions are Safe and Hygienic

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

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:

All relevant certificates, permits, licenses, etc. applicable to the nature of activities being carried out in the facility are being maintained by the management. Mr. Saeed Ahmed, is responsible to maintain all relevant documents.

Management maintains an accident/ incident reports log file to record the nature of accidents/injuries and investigation reports and investigates to find out the root cause for taking corrective actions. Records verified.

The facility has documented Risk assessment to reduce or eliminate risks in the facility. Internal monitoring of safety on weekly and monthly basis.

Facility has a program and materials to train relevant individuals, including all individuals responsible for the supervision of workers, on all of the relevant occupational safety and health issues.

Factory has a trained first aid and firefighting team. Name and photos found displayed in all areas.

The factory is well maintained, the layout and other facilities are well designed to ensure a safe work place.

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

1. Health and safety Policy & procedures
2. During the factory tour it was observed that the facility is following the applicable laws and regulations regarding health & safety and ensuring a safe and hazard free workplace. Fire hydrant, Emergency fire alarms, emergency exits, fire extinguishers, Fire buckets other firefighting appliances, first aid boxes, personal protective equipment, sanitary toilets, etc. were found in proper places and adequate quantities.
3. The facility has defined a policy for health and safety committee to deal health and safety issues. Health and safety committee is formed to monitor it. Regular meeting minutes found maintained. Last meeting minute records dated 26/02/2015 reviewed.
4. Firefighting team is available that is trained on a regular basis and records maintained. Fire fighter team

- members were found aware of the firefighting procedures.
5. The facility has scheduled to conduct emergency evacuation drills on Bi-annual basis. Records of last 02 emergency evacuation drills dated 30 January 2014 & 16 June 2014
 6. The facility has 14 trained First aiders and fire fighters; last training records 16 June 2014.
 7. All fire extinguishers were found clearly identified and accessible. All fire extinguishers are identified by numbering system of fire extinguisher and monthly fire Extinguisher inspection records found maintained
 8. All emergency exits were identified by emergency lights and were found free and unobstructed and Fire alarm, First aid box Monthly & fortnightly inspection reviewed
 9. Sharp tools and needle policy

Company has not provided any Accommodation/Dormitory Facility.

Mr. Saeed Ahmed– Manager Admin, HR & Compliance is assigned as the Health and Safety representative.

Non-compliance:

1. Description of non-compliance:

☒ NC against ETI ☐ NC against Local Law

As per review of fire Drill record, it was noted that last emergency evacuation drill was conducted on June 16, 2014, after which no emergency evacuation drill conducted by the facility.

Local law and/or ETI requirement

ETI Requirement 3.2

Recommended corrective action: Emergency evacuation drill should be conducted on at least bi-annual basis.

Time scale : 30 days

2. Description of non-compliance:

☒ NC against ETI ☐ NC against Local Law

No evidence found that the facility has arranged chemical, PPE usage and machine safety training for workers.

Local law and/or ETI requirement:

ETI Requirement 3.2

Recommended corrective action: Chemical, PPE usage and machine safety training should be provided to all relevant workers on regular basis.

Time scale : 30 days

3. Description of non-compliance:

☒ NC against ETI ☒ NC against Local Law

No evidence found that the facility has acquired approved buildings plan.

Local law and/or ETI requirement:

ETI Requirement 3.1 & Local law requirement

Recommended corrective action: The facility should acquire and make available approved buildings plan

Time scale : 30days

Objective evidence observed:

1. Documents review and workers interview

2. Documents review and workers interview

3. Document review

<p>4. Description of non-compliance: <input checked="" type="checkbox"/> NC against ETI <input checked="" type="checkbox"/> NC against Local Law No fire alarm system was found installed at main store and sample department.</p> <p>Local law and/or ETI requirement: ETI Requirement 3.1 and Local law requirement: Punjab factories rule 1978, sec (53)</p> <p>Recommended corrective action: Fire alarm system should be installed at identified areas. Time scale : 30 days</p>	<p>4. The factory Tour</p>
<p>5. Description of non-compliance: <input checked="" type="checkbox"/> NC against ETI <input checked="" type="checkbox"/> NC against Local Law No emergency exit was found at main store in basement.</p> <p>Local law and/or ETI requirement: ETI Requirement 3.1 Local law requirement: Factories Act 1934, section 25.</p> <p>Recommended corrective action: Emergency exit should be provided at main store in basement. Time scale : 30 days</p>	<p>5. The factory Tour</p>
<p>6. Description of non-compliance: <input checked="" type="checkbox"/> NC against ETI <input checked="" type="checkbox"/> NC against Local Law The facility has provided only cooking area in the facility, with no dining area provided for workers</p> <p>Local law and/or ETI requirement: ETI Requirement 3.3 Local law requirement: Factories Act 1934, section 24 and The West Pakistan Factories Canteen-Rules, 1959, Rule 04</p> <p>Recommended corrective action: Dining area should be provided for male and female separately in healthy and safe manner. Time scale : 60days</p>	<p>6. The factory Tour</p>
<p>7. Description of non-compliance: <input checked="" type="checkbox"/> NC against ETI <input checked="" type="checkbox"/> NC against Local Law It was noted that 2 of the CO2 fire extinguishers were found obstructed/blocked by table at packing department.</p> <p>Local law and/or ETI requirement: ETI Requirement 3.1 and Factories Act 1934, Section: 25 & The Punjab Factories, Rules, 1978(49)</p> <p>Recommended corrective action: The factory should maintain all fire extinguisher free of obstructions and unblocked all the time Time scale : 30days</p>	<p>7. The factory Tour</p>

<p>8. Description of non-compliance: <input checked="" type="checkbox"/> NC against ETI <input type="checkbox"/> NC against Local Law No evacuation plan was found displayed at sample department on ground floor.</p> <p>Local law and/or ETI requirement: ETI Requirement 3.1</p> <p>Recommended corrective action: Evacuation plan should be displayed at sample department on ground floor Time scale : 30 days</p>	<p>8. The factory Tour</p>
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Observation:	
<p>Description of observation:</p> <p>Local law or ETI requirement:</p> <p>Recommended corrective action:</p>	<p>Objective evidence observed:</p>

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

4: Child Labour Shall Not Be Used

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

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:

The facility has a well-defined policy for child labour conforming to the local laws and ILO requirements that describes that they are not employing any child labour. During the audit no child labour found or suspected. Documents are obtained as proof of age. HR & compliance department also verifies its authenticity from the authorities prior to hire. At the time of hiring, 2 photos, Metric School certificate, National identity card, City Govt Birth certificate OR Civil surgeon certificate (to verify age) is retained as evidence to verify the age of the worker as required by the local law.

All applicants fill a Job application form providing basic information that is further verified during the employment interview. Age is verified from the appearance and chronology of education or working experience of the workers. All workers need to submit an application form and also sign appointment letter that shows employee photo, employee ID, Joining date and date of birth or age. Randomly selected personal files of the workers verified found properly maintained containing all relevant hiring documents.

As per facility tour, workers interviews and records review no worker under the age of 18 years found in the factory.

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

1. Personnel files including age verification documents CNIC, Educational documents and Birth certificate.
2. Policies and Procedure
2. During the factory tour visit.
3. Workers interviews suspected employee noticed on the floor.

Non-compliance:

<p>1. Description of non-compliance: <input type="checkbox"/> NC against ETI <input type="checkbox"/> NC against Local Law None observed</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></p>
<p>2. Description of non-compliance: <input type="checkbox"/> NC against ETI <input type="checkbox"/> NC against Local Law None observed</p> <p>Local law and/or ETI requirement:</p> <p>Recommended corrective action:</p>	

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

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

5: Living Wages are Paid

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

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

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:

The facility provides Appointment letter to all workers containing particulars of wages in local language. The facility has an organized system by using spread sheet for wages and salary calculation. Pay slip with all particulars of each pay period and details of payment is also issued to all workers.

The management provides induction as well as periodic training to all workers on factory compensation policy and trains them to calculate their wages correctly. All the relevant details in native language have been included in the employee handbook for worker reference. The rate of minimum wage is also posted prominently at main entrance.

Company has defined Disciplinary action policy and Deduction policy. Both are in line with the national law. As per review of the payment records management is not deducting any type of amount from the workers.

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

1. Payment records of 26 workers for the months of April & October 2014 and February 2015 reviewed
2. Payment slips
3. EOBI and PESSI payment receipts
4. Full and Final Payment record
5. Leave records and Leave encashment record.

Non-compliance:

<p>1. Description of non-compliance: <input type="checkbox"/> NC against ETI <input checked="" type="checkbox"/> NC against Local Law No evidence found that the facility provides Group Insurance to its all permanent workers as required by local law- Group Insurance, Section 10-B.</p> <p>Local law and/or ETI requirement: Industrial and Commercial Employment (Standing Orders) Ordinance, 1968, Sec. 2(10-B)</p> <p>Recommended corrective action: Group Insurance should be provided to all eligible workers. Time scale: 30 days</p> <p>2. Description of non-compliance: <input type="checkbox"/> NC against ETI <input checked="" type="checkbox"/> NC against Local Law During workers interview and review of payment records it was revealed that the facility is not paying annual bonus to its eligible workers as required by local law requirement of Industrial & Commercial Employment ordinance 1968 section 10-C.</p> <p>Local law and/or ETI requirement: Industrial and Commercial Employment (Standing Orders) Ordinance, 1968 Sec.10-C</p> <p>Recommended corrective action: Annual Bonus should be paid to all eligible workers. Time scale: 90 days</p>	<p>Objective evidence observed: <i>(where relevant please add photo numbers)</i></p> <ol style="list-style-type: none"> 1. Documents review and workers interview 2. Documents review and workers interview
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Observation:	
<p>Description of observation:</p> <p>Local law or ETI requirement:</p> <p>Comments:</p>	<p>Objective evidence observed:</p>

Good Examples observed:	
<p>Description of Good Example (GE):</p> <p>All EOBI contribution paid by the facility.</p>	<p>Objective Evidence Observed: Workers interview & documents review</p>

Wages analysis: (Click here to return to Key Information)		
A: Sample Size Checked <i>(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)</i>	26 workers' payment records for the months of April & October 2014 and February 2015 were reviewed.	
B: Are there different legal minimum wage grades? If Yes , please specify all.	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	If Yes , please give details: If yes, please give details: <ul style="list-style-type: none"> Unskilled worker : Rs. 12000/ month Semi-Skilled worker : Rs. 12,440/Month Skilled Worker : Rs. 13,500/ month
C: If there are different legal minimum grades, are all workers graded correctly?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> NA	If No , please give details:
D: What deductions are required by law e.g. social insurance? Please state all types:	EOBI	
E: Have all of these deductions been made? Please list all deductions that have/have not been made.	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	If Yes , Please list all deductions that have been made: If No , please give details on any deductions which have not been made: All EOBI contribution paid by the facility.
F: Industry norm for this region: <i>(please include time period e.g. hour/week/month)</i>	NIL	

Wages table (Click here to return to Key information)			
Worker Type	Process Operator (Lowest paid)	Process Operator (Average paid)	Process Operator (Highest paid)
Select from individual worker records one worker from, lowest, average and highest wages and populate the boxes. Ensure comparison is made for same pay period and only uses full-time workers. See SMETA Best Practice Guidance and Measurement Criteria for completing this:			
A: Pay period: <i>(State month selected)</i>	February 2015	February 2015	February 2015
B: Anonymous Employee Reference/Dept.	Helper	Clipping	Stitching
C: Employee Gender	Male	Female	Male

D: Contracted/Standard working hours: (excluding OT – please include time period e.g. hour/week/month)	48 hours/week	48 hours/week	48 hours/week
E: Contracted /Standard work pay rate: (excluding OT – please include time period e.g. hour/week/month)	Rs. 12,000/ Month	Rs. 12,500/ Month	Rs. 14,000/ Month
F: Standard day overtime – hours: (please include time period e.g. hour/week/month)	00	00	00
G: Standard day overtime – wage: (please include time period e.g. hour/week/month)	NA	NA	NA
H: Rest day overtime – hours: (please include time period e.g. hour/week/month)	00	00	00
I: Rest day overtime – wage: (please include time period e.g. hour/week/month)	NA	NA	NA
J: Statutory Holiday overtime – hours: (please include time period e.g. hour/week/month)	00	00	00
K: Statutory holiday OT – wages: (please include time period e.g. hour/week/month)	NA	NA	NA
L: Total overtime hours: (please include time period e.g. hour/week/month)	00.00 hours /month	00.00 hours /month	00.00 hours /month
M: Incentives/Bonus/ Allowances etc.: (please include time period e.g. hour/week/month)	00	00	00
N: Gross wages: (please include time period e.g. hour/week/month)	Rs.12,000/	Rs. 12,500/	Rs. 14,000/
O: Social insurance and other deductions; please list	00	00	00

which and amount.			
P: Actual wage paid after deduction: (please include time period e.g. hour/week/month)	Rs.12,000/	Rs. 12,500/	Rs. 14,000/
Comments: (Please state here any specific reasons/circumstances that explain the lowest and highest gross wages)			
Workers are paid as per their pay scale.			
Q: Is there a defined living wage: <i>This is <u>not</u> normally 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 Please specify amount/time period:		
R: Are workers paid in a timely manner in line with local law?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No		
S: Is there evidence that equal rates are being paid for equal work:	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No Details: As per review of wage records and workers interviews it was found that equal rates are paid for equal type of work, with no discrimination in wages found.		
T: How are workers paid:	<input checked="" type="checkbox"/> Cash <input type="checkbox"/> Cheque <input checked="" type="checkbox"/> Bank Transfer <input type="checkbox"/> Other If other explain:		

6: Working Hours are not Excessive

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

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:

Company has defined policy on working hours and communicated to the workers through awareness program and postings at notice boards. Company policy conforms to both local laws and industry standards in terms of working hours. The policy has clearly defined that the overtime work is completely voluntary and any worker can leave the premises after regular working hours without prior permission.

Local law allows 48 hours regular work in a week and maximum 12 hours over time weekly. It was verified through Worker Interviews and Document review (Payroll and Working hour Calculation)

The facility policy on working hours, the legal maximum working hours, overtime hours and days of rest have been prominently displayed on all the notice boards in the native language Urdu. Also it has been printed in the employee handbooks. Periodic awareness training is held for all supervisory personnel responsible for production coordination and scheduling as well as those who are in supervisory roles to ensure that the workers are not

worked more than the legal maximum hours per day, per week and per month. Documented training record available for workers regarding compensation policy.

At the time of hiring, all new appointees are informed about the legal requirements and the limitations on the working hours, both regular and overtime, by providing induction training on the policies and procedures of the facility. They are also provided a hand book containing all the details.

The facility has an automated attendance system of card swiping, workers swipe their cards for attendance to enter and leave the factory on daily basis.

Company is providing one weekly day off on Sunday.

No holiday or rest day work found during the review of records.

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

1. Policy and Procedure for working hours
2. Time and attendance records
3. Time records of 26 workers for the period of April & October 2014 and February 2015 reviewed

Non-compliance:

1. Description of non-compliance:

☐ NC against ETI ☐ NC against Local Law

None observed

Local law and/or ETI requirement:

Recommended corrective action:

2. Description of non-compliance:

☐ NC against ETI ☐ NC against Local Law

None observed

Local law and/or ETI requirement:

Recommended corrective action:

Objective evidence observed:

(where relevant please add photo numbers)

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

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

Working hours analysis <i>Please include time period e.g. hour/week/month</i> (Go back to Key information)		
Systems & Processes		
A. What timekeeping systems are used: time card etc.	<i>Describe:</i> The facility has an automated attendance system of card swiping; workers swipe their cards for attendance to enter and leave the factory on daily basis.	
B: Sample Size Checked (State number of worker records checked and from which weeks/months and type – should be current, peak and random/low: See SMETA Best Practice Guidance and Measurement Criteria)	Time records of 26 workers for the period April & October 2014 and February 2015 were reviewed	
C: Do ALL workers have contracts/employment agreements?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	<i>If NO, state which type of workers do NOT have contracts/employment agreements:</i>
D: Are standard/contracted working	<input checked="" type="checkbox"/> Yes	<i>If NO, please state which type of workers do NOT have</i>

hours defined in all contracts/employment agreements?	<input type="checkbox"/> No	<i>standard hours defined in contracts/employment agreements.</i>		
E: Are there any other types of contracts/employment agreements used?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	<i>If YES, Please complete as appropriate:</i>		
		<input type="checkbox"/> 0 hrs	<input type="checkbox"/> Part time	<input type="checkbox"/> Variable hrs
		<input type="checkbox"/> Other		
		<i>If "Other", Please define:</i>		
Standard/Contracted Hours worked				
F: Do standard/contracted standard hours ever exceed the law or 48 hours per week?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	<i>If YES give details and comparison (local law/48 hrs week)</i>		
G: What are the actual standard/contracted hours worked in sample (State per week/month)	Highest hours:	48 hours per week		
	Lowest hours:	48 hours per week		
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	<i>If YES, Please give details</i>		
Overtime Hours				
I: Actual overtime hours worked in sample (State per day/week/month)	Highest OT hours:	00.00 hours/week in April, 2014 00.00 hours/week in October, 2014 00.00 hours/week in February, 2015		
	Lowest OT hours:	00.00 hours/week in April, 2014 00.00 hours/week in October, 2014 00.00 hours/week in February, 2015		
J: Range of overtime hours over all workers/or as large a sample as possible. (State per week/month and details)	00 to 00 hours/month in April, 2014 00 to 00 hours/month in October, 2014 00 to 00 hours/month in February, 2015			
K: Approximate percentage of workers on highest overtime hours	100 %			
L: Is overtime voluntary?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> Conflicting	<i>Please detail evidence e.g. Wording of contract/employment agreement/handbook/worker interviews/refusal arrangements:</i>		

	Information	The facility has voluntary statement found in personal files of workers that is all workers do overtime voluntarily						
Overtime Premiums								
M: Is overtime paid at a premium?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	Please give details of normal day overtime premium as a % of standard wages: <table border="1"> <tr> <td><input type="checkbox"/> 0%</td> <td><input type="checkbox"/> 1 – 115%</td> <td><input type="checkbox"/> 116 – 124%</td> <td><input type="checkbox"/> 125 – 149%</td> <td><input type="checkbox"/> 150 – 199%</td> <td><input checked="" type="checkbox"/> 200%+</td> </tr> </table> Any other comments:	<input type="checkbox"/> 0%	<input type="checkbox"/> 1 – 115%	<input type="checkbox"/> 116 – 124%	<input type="checkbox"/> 125 – 149%	<input type="checkbox"/> 150 – 199%	<input checked="" type="checkbox"/> 200%+
<input type="checkbox"/> 0%	<input type="checkbox"/> 1 – 115%	<input type="checkbox"/> 116 – 124%	<input type="checkbox"/> 125 – 149%	<input type="checkbox"/> 150 – 199%	<input checked="" type="checkbox"/> 200%+			
N: ETI Code requires a prevailing standard to give greatest worker protection. If a site pays less than 125% OT premium and this is allowed under local law, are there other considerations? Please complete the boxes where relevant. Multi select is possible.	<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 Please explain any checked boxes in N above e.g. detail of consolidated pay CBA or Other.							
Rest Days								
O: Are workers provided with 1 day off in every 7–day–period, or 2 in 14–day–period (where the law allows)?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	Maximum number of days worked without a day off (in sample): 06 days						
Total Hours								
P: Range of total hours: (Quote highest and lowest please include time period e.g. hour/week/month)	Highest total hours	48 hours/week in April, 2014 48 hours/week in October, 2014 48 hours/week in February, 2015						
	Lowest total hours	48 hours/week in April, 2014 48 hours/week in October, 2014 48 hours/week in February, 2015						
R: If more than 60 total hours per week and this is legally allowed, are there other considerations? Please complete the boxes where relevant. Multi select is possible.	<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 explain any checked boxes in R above							

Comments: <i>(please state here any specific reasons/circumstances that explain the highest working hours)</i>	
<i>Please add details of examples where the site has demonstrated "exceptional circumstances".</i>	
<i>Please give details of any appropriate safeguards in place at the time of the 60+ hours working.</i>	
<i>Any other comments:</i>	

7: No Discrimination is Practiced

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

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:

The facility has defined a policy of non-discrimination in hiring, compensation, promotion, termination, access to training, increment based on race, caste, national origin, religion, age, gender, marital status, sexual orientation or membership in any union or political affiliation.

This policy is well communicated in local language through the notice board and workers handbook.

Regular training programs are arranged to train relevant individuals such as management staff, supervisory personnel and Admin staff on the Prohibiting discrimination policy and practices of the facility. The training materials prepared by responsible persons were reviewed and found appropriate.

Facility has a mechanism in place to complain against any discriminatory behavior in confidential manner defined in Grievance procedure to handle the grievances if they occurred. During the worker interview no such comments raised related to discrimination.

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

1. Policy and Procedure on non-Discrimination
2. Wages records of male & female.
3. Hiring & employment documents

Non-compliance:	
<p>1. Description of non-compliance: <input type="checkbox"/> NC against ETI <input type="checkbox"/> NC against Local Law None observed Local law and/or ETI requirement: Recommended corrective action:</p> <p>2. Description of non-compliance: <input type="checkbox"/> NC against ETI <input type="checkbox"/> NC against Local Law None observed Local law and/or ETI requirement: Recommended corrective action:</p>	<p>Objective evidence observed: <i>(where relevant please add photo numbers)</i></p>

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

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

8: Regular Employment Is Provided

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

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.

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:

Company is employing workers on permanent and temporary basis. Company is providing appointment letter as the job contract to all workers containing all terms and condition of permanent employment and keeping the duplicate copy of that appointment letter in personal files.

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

1. Policy and Procedure
2. Personal Files
3. Appointment letter

Non-compliance:

1. Description of non-compliance:

☐ NC against ETI ☐ NC against Local Law

Local law and/or ETI requirement:

Recommended corrective action:

2. Description of non-compliance:

☐ NC against ETI ☐ NC against Local Law

Local law and/or ETI requirement:

Objective evidence observed:

(where relevant please add photo numbers)

Recommended corrective action:

Observation:

Description of observation:

Local law or ETI requirement:

Comments:

**Objective evidence
observed:**

Good Examples observed:

Description of Good Example (GE):

**Objective Evidence
Observed:**

8A: Sub-Contracting and Homeworking

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

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.

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:

Documents checked & comments:

1. Company Policy & procedures
2. Production records
3. Material In & Out Records at gate.

No Sub-contracting or home working is in practice.

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

<i>Process Subcontracted</i>	<i>Process 1</i>	<i>Process 2</i>
<i>Name of factory</i>		
<i>Address</i>		
<i>Process Subcontracted</i>	<i>Process 3</i>	<i>Process 4</i>
<i>Name of factory</i>		
<i>Address</i>		
<i>Process Subcontracted</i>	<i>Process 5</i>	<i>Process 6</i>
<i>Name of factory</i>		
<i>Address</i>		

Non-compliance:	
<p>1. Description of non-compliance:</p> <p><input type="checkbox"/> NC against ETI/Additional Elements <input type="checkbox"/> NC against Local Law</p> <p>None observed</p> <p>Local law and/or ETI /Additional Elements requirement:</p> <p>Recommended corrective action:</p>	<p>Objective evidence observed: (where relevant please add photo numbers)</p>
<p>2. Description of non-compliance:</p> <p><input type="checkbox"/> NC against ETI/Additional Elements <input type="checkbox"/> NC against Local Law</p> <p>None observed</p> <p>Local law and/or ETI requirement:</p> <p>Recommended corrective action:</p>	

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

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

Summary of sub-contracting – if applicable	
A: If sub-contractors are used, is there evidence this has been agreed with the main client?	<input type="checkbox"/> Yes <input type="checkbox"/> No If Yes , summarise details:
B: Number of sub-contractors/agents used	NA
C: Is there a site policy on sub-contracting?	<input type="checkbox"/> Yes <input type="checkbox"/> No If Yes , summarise details:
D: What checks are in place to ensure no child labour is being used and work is safe?	NA
E: What processes are sub-contracted?	NA

Summary of homeworking – if applicable			
F: If homeworking is being used, is there evidence this has been agreed with the main client?	<input type="checkbox"/> Yes <input type="checkbox"/> No If Yes , summarise details:		
G: Number of homeworkers	Male: none	Female: none	Total: none
H: Are homeworkers employed direct or through agents?	<input type="checkbox"/> Directly <input type="checkbox"/> Through Agents		
I: If through agents, number of agents	NA		
J: Is there a site policy on homeworking?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No		
K: How does site ensure worker hours and pay meet local laws for homeworkers?	NA		
L: What processes are carried out by homeworkers?	NA		
M: Are written agreements in place for homeworkers that include regular employment?	<input type="checkbox"/> Yes <input type="checkbox"/> No		
N: Are full records available at the site?	<input type="checkbox"/> Yes <input type="checkbox"/> No		

9: No Harsh or Inhumane Treatment is Allowed

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

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.

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:

Company has policy on prohibition of harassment and abuse, which clearly describes that no one is allowed to physically, sexually, or verbally abuse any other employees.

Company has system in place to confidentially complain against any harassment or abuse without any threats of retaliatory action.

Company is providing awareness on regular basis on the company policy of prohibition of harassment and abuse. Verified during the worker interviews, workers found aware of complaint mechanism.

Mr. Saeed Ahmed, Manager Admin, HR & Compliance, responsible to implement and monitor company policy and procedures on prohibition of harassment and abuse.

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

1. Company Policy
2. Workers Interviews
3. Walk through of the factory
4. Disciplinary action records

Non-compliance:

<p>1. Description of non-compliance: <input type="checkbox"/> NC against ETI <input type="checkbox"/> NC against Local Law None observed</p> <p>Local law and/or ETI requirement:</p> <p>Recommended corrective action:</p> <p>2. Description of non-compliance: <input type="checkbox"/> NC against ETI <input type="checkbox"/> NC against Local Law</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></p>
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Observation:	
<p>Description of observation:</p> <p>Local law or ETI requirement:</p> <p>Comments:</p>	<p>Objective evidence observed:</p>

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

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

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

Additional Elements

- 10A1 Only workers with a legal right to work shall be employed or used by the supplier.
- 10A2 All workers, including employment agency staff, must be validated by the supplier for their legal right to work by reviewing original documentation.
- 10A3 Employment agencies must only supply workers registered with them.
- 10A4 The supplier shall implement processes to enable adequate control over agencies with regards the above points and related legislation.

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:

Documents checked & comments:

1. Company policy on Employment
2. Observation during the factory visit
3. Workers strength list

No agency worker or immigrant worker was found recruited by factory.

Non-compliance:

1. Description of non-compliance:

☐ NC against ETI/Additional Elements
None observed

☐ NC against Local Law

Local law and/or ETI /Additional Elements requirement:

Recommended corrective action:

2. Description of non-compliance:

☐ NC against ETI/Additional Elements

☐ NC against Local

Local law and/or ETI/Additional Elements requirement:

Objective evidence observed:

(where relevant please add photo numbers)

Recommended corrective action:

Observation:

Description of observation:

Local law or ETI/Additional Elements requirement:

Comments:

Objective evidence observed:

Good examples observed:

Description of Good Example (GE):

Objective Evidence Observed:

10. Other issue areas 10 B 2: Environment 2-pillar

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

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:

The facility has Environmental management system in place as per nature of its operation to comply with local laws & regulations. Training programs are available on environmental laws, waste management and material safety. Training records verified.

The facility has contracted professional waste disposal companies to dispose of medical and solid waste. The facility has conducted Environmentally significant aspect identification survey to develop an environmental management system.

Solid waste was identified and segregated as per solid waste management program. Local laws and regulations displayed on the notice board. As applicable to the facility processes, the management communicates to the employees the relevant local environmental laws and regulations through awareness sessions.

Mr. Saeed Ahmed, Manager Admin, HR & Compliance is responsible to implement and monitor company's Policy and Procedure of Environment

Evidences Examined:

1. Policy and Procedure of Environment
2. Waste inventory record.
3. Factory tour to verify the processes.
4. Training records on waste handling procedure reviewed

Non-compliance:

<p>1. Description of non-compliance: <input checked="" type="checkbox"/> NC against ETI/Additional Elements <input checked="" type="checkbox"/> NC against Local Law No evidence found the facility has arranged gaseous emissions test of its Power generator.</p> <p>Local law and/or ETI/Additional Elements requirement: Requirement 10B2.1 and The Pakistan Environmental Protection Act, 1997, section 11 the National Environmental Quality Standards (Self- Monitoring and Reporting by Industry) Rule, 2001</p> <p>Recommended corrective action: Gaseous emissions test should be arranged on quarterly basis. Time scale : 30 days</p> <p>2. Description of non-compliance: <input type="checkbox"/> NC against ETI/Additional Elements <input type="checkbox"/> NC against Local Law</p> <p>Local law and/or ETI/Additional Elements requirement:</p> <p>Recommended corrective action:</p>	<p>Objective evidence observed: <i>(where relevant please add photo numbers)</i> 1. Document review</p>
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Observation:	
<p>Description of observation:</p> <p>Local law or ETI/additional elements requirement:</p> <p>Comments:</p>	<p>Objective evidence observed:</p>

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

Worker Interview Summary

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 checked="" type="checkbox"/> Yes <input type="checkbox"/> No	
C: Number of group interviews: (Please specify number and size of groups. Please see SMETA Best Practice Guidance and Measurement Criteria)	4 groups of 05 employees = 20	
D: Number of individual interviews (Please see SMETA Best Practice Guidance and Measurement Criteria)	Male: 03	Female: 03
E: Total number of interviewed workers (Please see SMETA Best Practice Guidance and Measurement Criteria)	Male: 23	Female: 03
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 complaint was raised by any worker.	
I: What did the workers like the most about working at this site?	Timely payment Friendly cooperative environment Social insurance coverage Free transport	
J: Any additional comment(s) regarding interviews:	NIL	
K: Attitude of workers to hours worked:	Positive and revealed that doing job as per standard working hours and having right to do overtime voluntarily if required.	

Agency Workers (if applicable) (workers sourced from a local agent who are not directly paid by the site)	
A: Number of agencies used	

(average):	And names if available: NA
B: Were agency workers' age/pay/hours included within 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

Other findings

Other Findings Outside the Scope of the Code
None

Community Benefits <i>(Please list below any specific community benefits that the site management stated that they were involved in, for example, HIV programme, education, sports facilities)</i>
Management is involved in social work on local community basis.

Photo Form

Adding Images To help keep the size of the Report as small as possible for ease of sending and saving the document we recommend that you use Microsoft Paint to resize your photos. To do so please follow these instructions:

- 1) To start Microsoft Paint, click 'Start', 'Programs', 'Accessories', then 'Paint'.
- 2) Open the image file you wish to edit.
- 3) Click the 'Image' Menu at the top and select "Stretch/Skew Image".
- 4) Choose a percentage figure to resize the image: to avoid distortion, choose the same percentage for horizontal and vertical stretch. Click OK.
- 5) Once you have the desired size, click File > Save As... (To prevent overwriting the original image). Save As jpeg (this provides compression to make the file smaller).
- 6) Please delete this text once complete.

General Site Tour Photos:

		
Factory Main Gate	Cutting Department	Sewing Department
		
Checking Department	Packing Department	Fire extinguishers

		
Emergency exit	First aid box	Complaint box
		
Fire hydrant system	Toilet	Evacuation plan

		
<p>N.C# 01 (Evidence) obstructed/blocked Fire extinguishers</p>		

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 A & AB members:](#)

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

[Click here for B members:](#)

http://www.surveymonkey.com/s.aspx?sm=d3vYsCe48fre69DRgIY_2brq_3d_3d

**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 A & AB members:](#)

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

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