

Sedex Members Ethical Trade Audit (SMETA) Report

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

Supplier name:	Design Denim Limited	
Site country:	Pakistan	
Site name:	Artistic Apparels (Pvt.) Ltd.	
Parent Company name (of the site):	Artistic Apparels (Pvt.) Ltd.	
SMETA Audit Type:	<input checked="" type="checkbox"/> 2-Pillar	<input type="checkbox"/> 4-Pillar
Date of Audit	26-27 October 2016	

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.





Audit Company Name: SGS Pakistan Pvt. Ltd.	Report Owner (payee): Artistic Apparels (Pvt.) Ltd.
Sedex Company Reference: (only available on Sedex System)	ZS 1015573
Sedex Site Reference: (only available on Sedex System)	ZC 1019893

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)	NIL
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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: Taj Hussain

Team auditor: Ahmed Murtaza

Interviewers: Ahmed Murtaza / Taj Hussain (62 Workers)

Date: 26-27/10/2016

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"/>		06		
4 Child Labour	<input type="checkbox"/>	<input type="checkbox"/>				
5 Wages and Benefits	<input type="checkbox"/>	<input type="checkbox"/>				
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 type="checkbox"/>	<input type="checkbox"/>			
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)

Positive Findings

1. Factory has defined and implemented social policy and procedure in the factory.
2. Factory has implemented non-use of child labour policy and procedure in the factory.
3. No sign of forced labour or prison labouring was found in the factory during audit.
4. No evidence of discrimination in employment, promotion, compensation, welfare, dismissal and retirement found in the factory through workers interview, documents review and facility visit.
5. No evidence of mental/physical coercion identified during the audit.

Negative findings:

1. Description of non-compliance:

During facility visit it was noted that few chemical drums were placed without identification and MSDS and secondary containments outside washing unit of the factory.

2. Description of non-compliance:

During facility visit it was noted that there were insufficient supplies in one first aid kits like bandages in cutting department of the factory.

3. Description of non-compliance:

During facility visit it was noted that pulley covers and motor guards were missing on 04 machines in stitching floor of the factory.

4. Description of non-compliance:

During facility visit it was noted that finger guard was missing or not in use on snap button machines of the factory.

5. Description of non-compliance:

During facility visit fire safety equipments at two places were found blocked in finishing and washing department of factory.

6. Description of non-compliance:

During documents review it was noted that factory has not conducted indoor air quality test for washing and spray area of the factory.

Audit Details

Audit Details			
A: Report #:	4028894		
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: 09:20am Day 1 Time out: 6:00pm	Day 2 Time in: 09:30am Day 2 Time out: 5:50pm	NIL
C: Number of Auditor Days Used: (number of auditor x number of days)	02 auditors in 02 day2 = 4 man days		
D: Audit type:	<input type="checkbox"/> Full Initial <input checked="" type="checkbox"/> Periodic <input type="checkbox"/> Full Follow-up <input type="checkbox"/> Partial Follow-Up <input type="checkbox"/> Partial Other – 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: 4 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.)	NIL		
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):	Taj Hussain (Lead Auditor), Ahmed Murtaza (Co-Auditor)		
I: Report written by:	Asim Majeed		
J: Report reviewed by:	Sadaf Pyarali		
K: Report issue date:	11 th November 2016		
L: Supplier name:	Design Denim Limited		
M: Site name:	Artistic Apparels (Pvt.) Ltd.		
N: Site country:	Pakistan		

O: Site contact and job title:	Mr. Saqib Amin, Manager Compliance & HR			
P: Site address: (Please include full address)	Plot# 4/1 Sector 25, Korangi Industrial Area, Karachi-74900			
Site phone:	+92-21-111 786 135			
Site fax:	+92-21-5074575			
Site e-mail:	saqib.amin@artisticapparels.com			
Q: Applicable business and other legally required licence numbers: for example, business license no, and liability insurance	NTN # : 2611084-9			
R: Products/Activities at site, for example, garment manufacture, electricals, toys, grower	Denim & Non Denim Woven Bottom			
S: Audit results reviewed with site management?	Yes			
T: Who signed and agreed CAPR (Name and job title)	Mr. Saqib Amin, Manager 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. Saqib Amin, Manager HR & Compliance			
W: What form of worker representation / union is there on site?	<input type="checkbox"/> Union (name) <input checked="" type="checkbox"/> Worker Committee <input type="checkbox"/> Other (specify) <input type="checkbox"/> None			
X: Are any workers covered by Collective Bargaining Agreement (CBA)	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No			
Y: Previous audit date:	16-17 November 2015			
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 checked="" 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: 8 hrs / day, 48 hrs / week, 208 hrs / month	8 hrs / day, 48 hrs / week, 208 hrs / month	<input type="checkbox"/> Yes <input type="checkbox"/> No NA
B: Legal Overtime hours: (Maximum legal and actual overtime hours, please state if possible per day, week and month)	Legal maximum: 2 hrs / day, 12 hrs / week, 48 hrs / month	2 hrs / day, 12 hrs / week, 48 hrs / month	<input type="checkbox"/> Yes <input type="checkbox"/> No NA
C: Legal age of employment: (Minimum legal and actual minimum age at site)	Legal minimum: 15 Years	18 Years	
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: PKR 13000 / Month / PKR 500 / day	Legal minimum: PKR 13000 / Month / PKR 500 / day	<input type="checkbox"/> Yes <input type="checkbox"/> No NA
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: 200% of normal wage rate	Legal minimum: 200% of normal wage rate	<input type="checkbox"/> Yes <input type="checkbox"/> No NA

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 type="checkbox"/> Yes <input checked="" type="checkbox"/> No	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
B: Present at the audit?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
C: Present at the closing meeting?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Yes <input checked="" 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)	NIL		
E: If Union Representatives were not present please explain reasons why: (only complete if no union reps present)	No workers union in the factory		

<p>F: Site description: (Include size, location and age of site. Also include structure and number of buildings)</p>	<p>Artistic Apparel is manufacturer & exporter of Denim & woven Bottom products exporting to European and US market. Facility established in 1992. The facility is situated in Korangi Industrial Area surrounded by factories producing similar products. The facility covered area is 193,000 sq ft.</p> <table border="1" data-bbox="635 577 1485 1352"> <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>Power House, Boiler area, Male Canteen, Chemical Store, Effluent Treatment Plant</td> <td>NIL</td> </tr> <tr> <td>Building 2</td> <td></td> <td></td> </tr> <tr> <td>Ground floor</td> <td>Merchandizing Offices Display area, Cutting, Fabric store, Sewing, Embroidery, Checking, Packing, Washing, Laboratory, Accessory Stores & scraping area</td> <td>NIL</td> </tr> <tr> <td>First Floor</td> <td>Warehouse, female canteen area &, Metal Free Zone, & Finishing</td> <td>NIL</td> </tr> <tr> <td>Is this a shared building?</td> <td>No</td> <td>Facility has independent building.</td> </tr> </tbody> </table>			Production Building no 1	Description	Remark, if any	Ground floor	Power House, Boiler area, Male Canteen, Chemical Store, Effluent Treatment Plant	NIL	Building 2			Ground floor	Merchandizing Offices Display area, Cutting, Fabric store, Sewing, Embroidery, Checking, Packing, Washing, Laboratory, Accessory Stores & scraping area	NIL	First Floor	Warehouse, female canteen area &, Metal Free Zone, & Finishing	NIL	Is this a shared building?	No	Facility has independent building.
Production Building no 1	Description	Remark, if any																			
Ground floor	Power House, Boiler area, Male Canteen, Chemical Store, Effluent Treatment Plant	NIL																			
Building 2																					
Ground floor	Merchandizing Offices Display area, Cutting, Fabric store, Sewing, Embroidery, Checking, Packing, Washing, Laboratory, Accessory Stores & scraping area	NIL																			
First Floor	Warehouse, female canteen area &, Metal Free Zone, & Finishing	NIL																			
Is this a shared building?	No	Facility has independent building.																			
<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>																				
<p>H: Month(s) of peak season: (if applicable)</p>	<p>Consistent business</p>																				
<p>I: Process overview: (Include products being produced, main operations, number of production lines, main equipment used)</p>																					
<p>Products: Factory is manufacturer of all types of denim and woven bottoms like, pants, shorts, skirts etc.</p>																					

Main Operation: Main operations being carried out in the factory includes incoming fabric receiving, cutting section, stitching, embroidery, washing, finishing, packing & dispatch.

Main Equipment: Factory has 01 Bend Knife, 26 Cutting machines, 450 Single needle, 10 Flat lock machine, 150 Double needle, 80 Bartack, 12 Kaj Button, 100 Safety, 50 Over lock, 50 Waistband, 35 Rivet Button, 8 Snap Button, 20 Belly washers, 12 Front loading etc. Factory has production capacity of 600,000 pieces per month.

Factory also has installed bio-chemical effluent treatment plant with daily capacity of 250,000 gallons per day.

In addition to washing chemicals, factory uses machine oil and spot lifter for stain removing.

Factory has power generator of 2400 KVA.

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.

This was semi-unannounced audit, conducted by 2 auditors for 02 days. Management allowed SGS auditors full access to the factory, documentation and workers interview. Auditors conducted confidential interviews with workers who were freely selected on their respective production sites, also workers were randomly selected from time sheet and payment record. Confidential interview was conducted with 62 workers randomly selected from different departments. Out of 62 workers 22 workers were interviewed individually and 40 workers were interviewed in 8 groups of 5 workers each. The overall attitude of workers toward management was positive; workers were happy with payment and conducive working environment of the factory. Overall workers were found very happy and satisfied while working in this factory.

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

Worker representatives were found happy and comfortable on management attitude towards rectification of issues highlighted by Worker representatives.

L: Attitude of managers:

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

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

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: <input type="checkbox"/> Below legal min <input checked="" type="checkbox"/> Meet <input checked="" type="checkbox"/> Above	Please indicate the breakdown of workforce according to earnings: 0% of workforce earning under min wage 80% of workforce earning min wage 20% of workforce earning above min wage
F: % of piece rate workers: (if applicable)	00%	
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)	NA hrs/week	Approx. <u>NA</u> % 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:	

	NIL
K: Are the correct legal overtime premiums paid? (Go to Wages Table)	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A – 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% – 149% <input type="checkbox"/> 150% – 199% <input checked="" type="checkbox"/> 200%+ Please give details: Nil
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):	0%
O: Age of youngest worker found: (Go to clause 4 – Child labour)	18 Years
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 checked="" type="checkbox"/> Worker Committee <input type="checkbox"/> Other (specify) <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: Factory has defined grievance handling policy and procedure, for which suggestion and compliant boxes were installed in the factory, workers can compliant through these boxes and also workers directly approach top management.
U: Are there any External Processes? (Go to clause 8A – Sub-contracting and Home working)	<input type="checkbox"/> Sub-Contracting <input type="checkbox"/> Home-working <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: 65 % Female : 35 %
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)	18 %
E: Were accurate records shown at the first request?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
F: If No , why not?	Nil
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: NIL
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: Facility has written policy and procedures on forced labour, health and safety, child labour, discrimination, harassment etc in accordance with ETI base code and local law.
I: If Yes , is there evidence (an indication) of effective implementation? Please give details.	Facility has a social compliance management system and written policy and procedures which meet ETI code and international labour standards; all policies and procedures are being communicated to all workers through periodic awareness sessions and policies were also found displayed at notice boards. Moreover facility is also conducting bi-annual internal audits to ensure proper implementation of social compliance management system. Workers were aware of these policies and requirements. Last internal audit was conducted on 4-7-2016 by Compliance team.
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 All managers and workers are being trained on all company policy and procedure through periodic awareness session also facility provide employee handbook to all workers at the time of hiring.
K: If Yes , is there evidence (an indication) that training has been effective e.g. training records etc.? Please give details	It was confirmed through workers interview and documents review of trainings records that factory gives trainings on social policies and safety to all workers working in the factory. Last training was conducted on 20-8-2016.

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 checked="" type="checkbox"/> Yes <input type="checkbox"/> No Factory has displayed different buyers code in which hot line (direct numbers) mentioned for reporting.
M: If Yes , are workers aware of these channels? Please give details.	Workers were aware of these channels.
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 Facility has conducted detailed risk assessment covering all process and also facility is conducting bi-annual internal audits. Risk assessment was conducted on 10-9-2016 .
O: If Yes , has effective action been taken to reduce or eliminate these risks?	Facility has taken appropriate corrective actions on all pointed out non-conformances.
P: Are accidents recorded?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No Please describe: Factory keeps the accident injury records of all workers.
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: Auditor verified per day production capacity of facility compared to per day production of per worker through production record review and worker interview which was found correlated with each other no unrecorded work hours noted.
R: Does the site have all required land rights licenses and permissions (<i>see SMETA Measurement Criteria</i>)?	Facility has obtained all required licenses and permissions from concerned departments. NTN: 2611084-9
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>	Factory has defined and implemented social compliance policy and procedure in the factory. Factory has BSCI, GOTs and GRS certification.
T: Is there a Human Resources manager/department? If Yes, please detail.	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No Please describe: Mr. Saqib Amin, Manager HR & Compliance is responsible for overall HR matters.

Worker Analysis

Worker Analysis								
	Local			Migrant				Total
	Permanent	Temporary	Agency	Permanent	Temporary	Agency	Home workers	
Worker numbers – male	925	00	00	00	00	00	00	925
Worker numbers – female	1725	00	00	00	00	00	00	1725
Total	2650	00	00	00	00	00	00	2650
Number of Workers interviewed	62	00	00	00	00	00	00	62

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	Nil
C: Are all contractor workers paid according to law?	<input type="checkbox"/> Yes <input type="checkbox"/> No NA
If Yes , Please give evidence for contractor workers being paid according to law:	Nil

Migrant Workers:

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

D: Originating Locations/Countries:	Nil
E: Type of work undertaken by migrant workers :	Nil
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:

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

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

- Social compliance policy and procedure manual.
- Law updates minimum wage revision.
- Job description of compliance manager
- Internal audit reports
- Supplier commitment
- Company policies training reports

Non-compliance:

1. Description of non-compliance: <input type="checkbox"/> NC against ETI/Additional Elements <input type="checkbox"/> NC against Local Law ETI / Local Law requirement: Recommended corrective action:	Objective evidence observed: NIL
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Observation:	
Description of observation: NIL Local law or ETI requirement: NIL Comments: NIL	Objective evidence observed: NIL

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

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:

- Factory has established documented, maintained and effectively communicated forced labour policy and procedure. As per policy factory sternly discourages forced labour all company’s policies and procedures are very much compatible to the consent and free movement of the employees. Workers are not required to lodge “deposit” any kind of their (educational certificate), identity papers or any other personal belongings with the employer and are free to leave the company after reasonable notice.
- No prison labour was found working during facility visit.
- Policy was communicated to the workers through notices, workers handbook and orientation.
- Facility allows employees to move freely within their designated work areas during work hours, including access to drinking water and toilet facilities.
- Employees are allowed to leave the facility during extended meal periods or after work hours confirmed during worker interviews.
- Facility has assigned qualified person with responsibility for communicating, training, deploying and monitoring and ensuring the implementation of forced labour policy and procedure Mr. Saqib Amin, Manager Compliance, is responsible person for policy communication, monitoring, training & Implementation.
- Through workers interview it was confirmed that workers are free to leave factory at the end of their work shift, also workers can resign with one month notice.
- No sign of force labour was found in the factory during workers interview, documents review and facility visit.
- Factory has also communicated the policy to all its suppliers and contractors records of acknowledgment reviewed during audit.
- Employment contract was found in accordance with local law and in native language which was found maintained at workers personal files.
- No such long term loan scheme is in practice which restricts employees from leaving the facility.
- Overtime working is on voluntary basis.
- Facility is only retaining National identity cards and education certificate copies in employee’s personal files no original documents are being retained as a condition of employment.

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

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

Non-compliance:

1. Description of non-compliance: <input type="checkbox"/> NC against ETI <input type="checkbox"/> NC against Local Law: Local law and/or ETI requirement: NIL Recommended corrective action: NIL	Objective evidence observed: NIL
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Observation:	
Description of observation: NIL Local law or ETI requirement: NIL Comments: NIL	Objective evidence observed: NIL

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

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

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

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:

- Factory has defined freedom of association policy and procedure. As per policy factory respects the legal, ethical and social rights, facilities and needs of all employees. Purely on non discriminatory basis, all employees of the company possesses freedom and right to associate and collectively bargain by just, ethical and legal means to protect their rights. On parallel means, all employees are free to elect their representatives for their rights protections.
- The same was communicated to all employees, contractors, suppliers through notices, manual and workers booklets.
- Factory has constituted a Worker welfare council comprising of 07 workers and 03 management representatives. Workers representatives were elected by the workers through show of hand process, while management representatives were nominated by the management. Last election held on 22-11-2015 for a period of two years.
- The council meets quarterly and discusses the workers issues and complaints and gives its recommendations to the managements for the rectification of the issues. Last meeting of the council was conducted on 18-10-2016. Record of the same was verified during audit.
- Factory has installed compliant and suggestion boxes for handling of grievance and complaints of those workers who do not wish to contact worker representative or management on any issue.

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

- Freedom of association policy and procedure
- Worker welfare council election records dated 22-11-2015 for 02 years
- Worker welfare council meeting minutes dated 18-10-2016
- Worker representative interviews

Non-compliance:	
1. Description of non-compliance: <input type="checkbox"/> NC against ETI <input type="checkbox"/> NC against Local Law 1. Description of non-compliance: ETI requirement: Recommended corrective action:	Objective evidence observed: <i>Nil</i>

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

A: Name of union and union representative, if applicable:	NA	Is there evidence of free elections? <input type="checkbox"/> Yes <input type="checkbox"/> No <input checked="" type="checkbox"/> N/A
B: If no union what is parallel means of consultation with workers e.g. worker committees?	Work council	Is there evidence of free elections? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A
C: Were worker representatives/union representatives interviewed	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No If Yes , please state how many: 06 Workers	
D: State any evidence that union/workers committee is effective? <i>Specify date of last meeting; topics covered; how minutes were communicated etc.</i>	<ul style="list-style-type: none"> The council conducts quarterly meetings. Last meeting of the council was conducted on 18-10-2016 Record of the meeting minutes were kept with details of issues discussed, minutes displayed on notice board for workers awareness. 	
E: Are any workers covered by Collective Bargaining Agreement (CBA)	<input type="checkbox"/> Yes <input type="checkbox"/> No NA	
F: If Yes what percentage by trade Union/worker representation	<u>0</u> % workers covered by Union CBA (NA)	<u>0</u> % workers covered by worker rep CBA (NA)
G: If Yes , does the Collective Bargaining Agreement (CBA) include rates of pay	<input type="checkbox"/> Yes <input type="checkbox"/> No NA	

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

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:

- Factory has defined EHS policy and procedure.
- Mr. Mohannad, H&S and Compliance Officer is responsible for compliance with health and safety standards in the factory.
- Factory has health & safety committee having 10 members, 2 from management side and 08 from workers; committee meets on quarterly basis last meeting was conducted on 17-9-2016.
- The facility was inspected by Labour Inspector from local labour Department on 16/7/2016, by Mr. Agha Ali, as per his remarks on Form 'C' register working condition in the factory is satisfactory.
- Factory was also inspected by Occupational Health and Safety Inspector Mr. Arif Haider on 24/6/2016.
- Factory is registered with labor department, Reg. #.FA/E/CMI-34(R-1474)/2006.
- Factory was inspected by Civil Defence department in 10-5-2016 for 1 year validity, certificate # 5(35)2002/CDM/CDO/EAST/MALIR.
- Factory has valid building stability certificate on Form-K, issued by KBCA Approved Engr. Abdul Haseeb Lic # SE-06-103.
- Factory has two industrial boilers having boiler inspection reports CIB/IB/S/INSP/11/708/2015 (S-2311) dated 26/10/2015 and /IB/S/INSP/11/728/2015 (S-2379) dated 26-10-2015. As these boiler inspections are valid till 26/10/2016, reviewed payment for new inspection to concerned department but no inspection letter was received yet.
- Mr. Muhammad Mustafa Licence No EB-11-EX/029 & Mr. Muhammad Hanif Licence #.025/2001 are Certified Boiler Attendant in the factory.
- Factory has permanent certified Electrician, Mr. Hasnain Haider (KW-16758) in the factory.
- The factory conducts Evacuation drill quarterly. Last two drills were conducted on 14/July/2016 and 14/May/2016, evacuation time was noted 3 minutes, conducted by 3rd party civil defence instructor. Next evacuation drill is due in the month of October 2016.
- All necessary fire safety equipments like fire extinguishers, fire hydrant and smoke detectors were installed in the factory, found in good working condition.

- There were 131 fire extinguishers (45 CO2, 85 DCP, 06 foam type), 15 Fire Hydrant point, 39 Fire Alarm call points, 108 smoke detectors, 12 fire buckets.
- Factory has installed fire Hydrant system, with 6 bar pressure Pump and water reserve of 50,000 gallons.
- There were 45 first aiders and 39 First Aid boxes installed in different departments of the factory. Last first aid training was conducted on 14/May/2016. The training was conducted by Civil Defence Approved trainer Khalid Mehmood Sheikh.
- Factory has conducted risk assessment on H&S and fire safety on 10/09/2016.
- Factory has comprehensive emergency response plan for emergencies with role and responsibilities defined.
- Factory conducts half yearly training for fire fighting, there were 67 workers trained for fire fighting, last training was conducted on 14/May/2016. Also factory has conducted training on the use of PPE's and chemical safety on 08/10/2016.
- Two fire exits were available for each factory department.
- Accident and injury records were kept, and the factory analyzed the accidents/injuries and took some corrective actions.
- Factory has installed chillers plant for the supply of drinking water in the factory, which was found hygienic as per Drinking water test report PRD-8215-F/2016-2017 dated 15/08/2016.
- Factory has conducted Noise on 15/8/2016 Doc. Ref.8214-E/2016-2017, light and air emission test in the factor. Gaseous emission test were conducted for 02 generators of 2.4M on 15/8/2016 through PRD. Report ref.: 8210-A & 8211-B.
- Factory has valid canteen Lic. #. 19/2016-2017, issued on 29/7/2016 valid till June 2017.
- Factory conducted regularly canteen workers medical examination and vaccination against contagious diseases; last examination was done on 9/8/2016 from Jinnah medical center.
- Factory performed vaccination of all of its employees on 3 by Dr. 0-1-2016, certifying surgeon.
- The general EHS conditions such as hygiene, lighting and ventilation etc. were all acceptable.

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

- Health and safety policy and procedure.
- Certificate of building stability
- Evacuation drill records.
- Fire fighting equipment inspection certificate.
- Health & safety trainings like First aid, fire fighting and use of PPE,s training records.
- Injury and accident records.
- Health and safety inspection reports.
- Machineries and equipments inspection reports.
- Fire safety list of equipments.
- Machine maintenance record.
- Test reports of drinking water, noise level
- Workers hygiene cards and vaccination reports.

Non-compliance:

1. Description of non-compliance:

☒ NC against ETI ☐ NC against Local Law

During facility visit it was noted that few chemical drums were placed without identification and MSDS and secondary containments outside washing unit of the factory.

ETI requirement:

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 minimizing, so far as is reasonably practicable, the causes of hazards inherent in the working environment.

Recommended corrective action:

Factory shall ensure all chemicals are properly identified and marked with MSDS and placed on secondary containers

2. Description of non-compliance:

☐ NC against ETI ☒ NC against Local Law

During facility visit it was noted that there were insufficient supplies in one first aid kit like bandages in cutting department of the factory

Local law requirement:

Sindh Factories Rule 1975 section 94(1); in every factory there shall be maintained in good working condition First aid appliances as specified in Appendix I.

Recommended corrective action:

Factory shall make first aid supplies available in the first aid kits.

3. Description of non-compliance:

☐ NC against ETI ☒ NC against Local Law

During facility visit it was noted that pulley covers and motor guards were missing on 04 machines in stitching floor of the factory

Local law requirement:

"Section 26 (1) of The Factories Act, 1934: In every factory the following shall be securely fenced by the safeguards of substantial construction which shall be kept in position while the parts of machinery required to be fenced are in motion or in use, namely - • (a) every moving part of a prime mover, and every fly wheel connected to a prime mover;

Recommended corrective action:

It is recommended that facility should install pulley and motor guards on all relevant machines

4. Description of non-compliance:

☐ NC against ETI ☒ NC against Local Law

During facility visit it was noted that finger guard was missing or not in use on snap button machines of the factory.

Local law requirement:

"Section 26 (1) of The Factories Act, 1934: In every factory the following shall be securely fenced by the safeguards of substantial construction which shall be kept in position while the parts of machinery required to be fenced are in motion or in use, namely - • (a) every moving part of a prime mover, and every fly wheel connected to a prime motor

Recommended corrective action:

It is recommended that facility should install finger safety guards on all relevant machines

5. Description of non-compliance:

☒ NC against ETI ☐ NC against Local Law

During facility visit fire safety equipments at two places were found blocked in finishing and washing department of factory.

Local law requirement:

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

Recommended corrective action:

Factory shall ensure all fire safety equipments are clear and accessible

Objective evidence observed:

Facility visit & documents review

6. Description of non-compliance:

☐ NC against ETI ☒ NC against Local Law

During documents review it was noted that factory has not conducted indoor air quality test for washing and spray area of the factory.

Local law requirement:

Section 11 of the Pakistan Environmental Protection Act, 1997: No person shall discharge or emit or allow the discharge or emission of any effluent or waste or air pollutant or noise in an amount, concentration or level which is in excess of the National Environmental Quality Standards

Recommended corrective action:

Factory shall conduct indoor air quality test to prevent its accumulation of dust or impurities in work environment in the factory.

Observation:

Description of observation: NIL

Local law or ETI requirement: NIL

Recommended corrective action: NIL

Objective evidence observed:

NIL

Good Examples observed:

Description of Good Example (GE):

NIL

Objective Evidence Observed:

NIL

4: Child Labour Shall Not Be Used

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

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:

- Factory has defined child labour policy and procedure in the factory.
- Factory has communicated the policy through notices and signs at main gate of the factory.
- No workers below 18 years are employed in the factory.
- As per hiring procedure prospective workers with authentic age verification documents will be considered.
- HR department ascertains workers age during appointment through documents and interview, workers age verification documents were kept in their personal files for verification.

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

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

Non-compliance:

1. Description of non-compliance:

☐ NC against ETI ☐ NC against Local Law

Local law and/or ETI requirement: NIL

Recommended corrective action: NIL

Objective evidence observed:

NIL

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

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

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:

- During documents review and workers interview it was noted that factory was paying PKR 13,000 per month as minimum wage to workers,
- Factory was keeping record of the workers wage and also wage slips were provided to the workers.
- Yearly bonus is provided to all workers
- All employees are covered through group Insurance in the factory.
- Mr. Saqib Amin, Manager HR & Compliance is responsible person to take action on compliant / objection logged / raised and also discuss this matter in Workers welfare council meeting and resolve it on priority basis.
- Factory was keeping record of the workers wage and also wage slips were provided to the workers.

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

- Payroll and payment record of 62 workers for the month of Sept. 2016, May 2016 and October 2015.
- Production records for the month of Sept. 2016, May 2016 and October 2015.
- Wage slips of the workers
- Record of group insurance
- Leave Record of the workers.

Non-compliance:

1. Description of non-compliance:

☐ NC against ETI ☐ NC against Local Law

Local law requirement:

Recommended corrective action:

Objective evidence observed:

2. Description of non-compliance:

☐ NC against ETI ☐ NC against Local Law

Local law and/or ETI requirement:

Recommended corrective action:

Observation:

Description of observation: NIL

Local law or ETI requirement: NIL

Comments: NIL

Objective evidence observed:

NIL

Good Examples observed:

Description of Good Example (GE):
NIL

Objective Evidence Observed:
NIL

Wages analysis:

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

A: Sample Size Checked
(State number of worker records checked and from which weeks/months – should be current, peak and random/low. Please see SMETA Best Practice Guidance and Measurement Criteria)

62 workers wage record for the month of Sept.2016, May 2016 and October 2015.

B: Are there different legal minimum wage grades? If **Yes, please specify all.**

☐ Yes
☒ No

If **Yes**, please give details: NIL

C: If there are different legal minimum grades, are all workers graded correctly?

☐ Yes
☐ No
☒ N/A

If **No**, please give details: NIL

D: What deductions are required by law e.g. social insurance? Please state all types:

Income Tax, EOBI

E: Have all of these deductions been made? Please list all deductions that have/have not been made.

☒ Yes
☐ No

If **Yes**, Please list all deductions that have been made: Income Tax.

If **No**, please give details on any deductions which have **not** been made: Nil

F: Industry norm for this region: (please include time period e.g. hour/week/month)	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: (State month selected)	Sept. 2016	Sept. 2016	Sept. 2016
B: Anonymous Employee Reference/Dept.	Helper	Checker	Machine Operator
C: Employee Gender	Female	Female	Male
D: Contracted/Standard working hours: (excluding OT – please include time period e.g. hour/week/month)	8 hours a day	8 hours a day	8 hours a day
E: Contracted /Standard work pay rate: (excluding OT – please include time period e.g. hour/week/month)	PKR 13000 / month	PKR 14500 / Month	PKR 14000 / month
F: Standard day overtime – hours: (please include time period e.g. hour/week/month)	00	00	11 hours / month
G: Standard day overtime – wage: (please include time period e.g. hour/week/month)	00	00	PKR 1480/month
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)	00	00	00
J: Statutory Holiday overtime – hours:	00	00	00

(please include time period e.g. hour/week/month)			
K: Statutory holiday OT – wages: (please include time period e.g. hour/week/month)	00	00	00
L: Total overtime hours: (please include time period e.g. hour/week/month)	00	00 hours / month	11 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)	PKR 13000 / month	PKR 14500/month	PKR 15480 / month
O: Social insurance and other deductions; please list which and amount.	PKR.100 for EOBI	PKR.100 for EOBI	PKR.100 for EOBI and
P: Actual wage paid after deduction: (please include time period e.g. hour/week/month)	PKR 12900 / month	PKR 14400 / month	PKR 15380 / month
Comments: (Please state here any specific reasons/circumstances that explain the lowest and highest gross wages)			
Nil			
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: Nil		
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: NIL		
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: NIL
--	-----------------------

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:

- Facility has defined working hour's policy and procedure; as per policy the management is committed to ensure working hours in compliance to legal requirements. Management ensures that regular working hours don't exceed 48 hrs per week and overtime hours don't exceed 12 hrs per week. Management ensures that 7th day weekly rest is ensured. However, in case of "Urgent Business Needs" work can be performed on weekly rest provided all legal compliance is ensured.
 - Urgent business needs can be considered in following business circumstances:
 - Strike in the city and loss of production.
 - Limited to delays / interruptions in production caused by Natural Calamities or unscheduled power failures.
 - No repetitive production deadlines or unforeseen circumstances which are beyond employer's control".
- During audit it was noted that factory works from 8:00am to 5:00pm Monday to Saturday. Sunday is rest day. Washing & Security guards were working on three shifts of 8 hours per day.

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

- Factory policy and procedure for working hours in the factory
- 62 workers time record for the month of Sept. 2016, May 2016 and Oct. 2015.
- Production Records for the month of Sept. 2016, May 2016 and Oct. 2015.

Non-compliance:

1. Description of non-compliance:

☐ NC against ETI ☐ NC against Local Law

Local law and/or ETI requirement: NIL

Recommended corrective action: NIL

Objective evidence observed:

NIL

Observation:

Description of observation: NIL

Local law or ETI requirement: NIL

Comments: NIL

Objective evidence observed:

NIL

Good Examples observed:

Description of Good Example (GE):

NIL

Objective Evidence Observed:

NIL

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Working hours analysis							
Please include time period e.g. hour/week/month (Go back to Key information)							
Systems & Processes							
A: What timekeeping systems are used: time card etc.	Hand Punch and Swipe card computerized recording system						
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)	62 workers						
C: Do ALL workers have contracts/employment agreements?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	If NO, state which type of workers do NOT have contracts/employment agreements: Nil					
D: Are standard/contracted working hours defined in all contracts/employment agreements?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	If NO, please state which type of workers do NOT have standard hours defined in contracts/employment agreements. Nil					
E: Are there any other types of contracts/employment agreements used?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	If YES, Please complete as appropriate: <table border="1" style="width: 100%;"> <tr> <td><input type="checkbox"/> 0 hrs</td> <td><input type="checkbox"/> Part time</td> <td><input type="checkbox"/> Variable hrs</td> <td><input type="checkbox"/> Other</td> </tr> </table> If "Other", Please define: Nil		<input type="checkbox"/> 0 hrs	<input type="checkbox"/> Part time	<input type="checkbox"/> Variable hrs	<input type="checkbox"/> Other
<input type="checkbox"/> 0 hrs	<input type="checkbox"/> Part time	<input type="checkbox"/> Variable hrs	<input type="checkbox"/> Other				
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	If YES give details and comparison (local law/48 hrs week) NIL					
G: What are the actual	Highest hours:	48 hours / week					

standard/contracted hours worked in sample (State per week/month)	Lowest hours:	48 hours / week				
H: Any local waivers/local law or permissions which allow averaging/annualised hours for this site?	<input type="checkbox"/> Yes	<i>If YES, Please give details</i>				
	<input checked="" type="checkbox"/> No	No waivers				
Overtime Hours						
I: Actual overtime hours worked in sample (State per day/week/month)	Highest OT hours:	7.5 hours / week				
	Lowest OT hours:	0 hours / week				
J: Range of overtime hours over all workers/or as large a sample as possible. (State per week/month and details)	_2_ to _30_ in _Sept. – 2016 / month as per sample _0_ to _25_ in _May – 2016 /month as per sample _2_ to _26_ in _Oct. – 2015 / month as per sample					
K: Approximate percentage of workers on highest overtime hours	35%					
L: Is overtime voluntary?	<input checked="" type="checkbox"/> Yes	Please detail evidence e.g. Wording of contract/employment agreement/handbook/worker interviews/refusal arrangements: Nil				
	<input type="checkbox"/> No					
	<input type="checkbox"/> Conflicting Information					
Overtime Premiums						
M: Is overtime paid at a premium?	<input checked="" type="checkbox"/> Yes	Please give details of normal day overtime premium as a % of standard wages:				
	<input type="checkbox"/> No					
		<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%+	Any other comments: Nil			
N: ETI Code requires a prevailing standard to give greatest worker protection. If a site pays less than 125% OT premium <u>and</u> this is allowed under local law, are there other considerations? Please complete the boxes where relevant. Multi select is possible.	<input checked="" type="checkbox"/> No	Please explain any checked boxes in N above e.g. detail of consolidated pay CBA or Other.				
	<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					
	NA					

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	<i>Maximum number of days worked without a day off (in sample):</i>
Total Hours		
P: Range of total hours: (Quote highest and lowest please include time period e.g. hour/week/month)	Highest total hours	55.5 hours / week (Sept. 2016)
	Lowest total hours	48 hours / week
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 checked="" 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	
	Nil	
Comments: (please state here any specific reasons/circumstances that explain the highest working hours)		
Please add details of examples where the site has demonstrated "exceptional circumstances" Nil		
Please give details of any appropriate safeguards in place at the time of the 60+ hours working. Nil		
Any other comments: Nil		

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:

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

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

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

Non-compliance:

1. Description of non-compliance: <input type="checkbox"/> NC against ETI <input type="checkbox"/> NC against Local Law Local law and/or ETI requirement: NIL Recommended corrective action: NIL	Objective evidence observed: NIL
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Observation:	
Description of observation: NIL Local law or ETI requirement: NIL Comments: NIL	Objective evidence observed: NIL

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

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:

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

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

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

Non-compliance:

1. Description of non-compliance:

☐ NC against ETI ☐ NC against Local Law

ETI requirement:

Recommended corrective action:

Objective evidence observed:

Observation:

Description of observation: NIL

Objective evidence observed:

Local law or ETI requirement: NIL	NIL
Comments: NIL	

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

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:

- Factory is not sub-contracting any of its operation

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

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

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

<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:	
1. Description of non-compliance: <input type="checkbox"/> NC against ETI/Additional Elements <input type="checkbox"/> NC against Local Law Local law and/or ETI /Additional Elements requirement: NIL Recommended corrective action: NIL	Objective evidence observed: NIL

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

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

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: NA
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: NA
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: NA		
G: Number of homeworkers	Male: NA	Female: NA	Total: NA
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 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:

- Factory has defined policy against Discrimination and Harassment policy.
- During audit, no sign of harsh and inhumane treatment was observed in the factory through site visit, workers interview and documents review.
- Factory has policy of progressive disciplinary action, no physical and mental abuse is used as disciplinary measure in the factory.

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

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

Non-compliance:

1. Description of non-compliance:

☐ NC against ETI ☐ NC against Local Law

Local law and/or ETI requirement:

Recommended corrective action:

Objective evidence observed:

NIL

Observation:

Description of observation: NIL

Objective evidence observed:

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

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:

- During audit No migrant worker was found working in the factory.

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

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

Non-compliance:

1. Description of non-compliance:

☐ NC against ETI/Additional Elements

☐ NC against Local Law

Local law and/or ETI /Additional Elements requirement: NIL

Recommended corrective action: NIL

Objective evidence observed:

NIL

Observation:

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

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

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:

- Factory has established environmental policy and procedure in their manual; as per policy facility is committed and endeavouring to do environmental friendly and pollution curtailing textile business while continually improving its green practices and complying by all national as well as other laws and regulations.
- Solid waste generated from the factory was re-sold to different buyers for further by products.
- Factory has two industrial boilers having boiler inspection reports CIB/IB/S/INSP/11/708/2015 (S-2311) dated 26/10/2015 and /IB/S/INSP/11/728/2015 (S-2379) dated 26-10-2015. As these boiler inspections are valid till 26/10/2016, reviewed payment for new inspection to concerned department but no inspection letter was received yet.
- Factory has 2 generators with combine production capacity of 2.4 Mega watts. Air emission generated from power generators were tested against NEQS. Gaseous emission test were conducted for 02 generators on 15/8/2016 through PRD. Report ref.: 8210-A & 8211-B.
- Factory has conducted noise level as part of risk assessment, conducted on 15/8/2016 Doc. Ref.8214-E/2016-2017
- Factory has bio-chemical Effluent treatment plant (ETP) with daily effluent processing capacity of 2,50,000 gallons per day which runs 24 hours a day, factory has complete in-house lab for daily monitoring of effluent treatment, factory also conducts test from third party lab on monthly basis.
- Factory has conducted test report of its waste water effluent after treating from SGS Pakistan (Pvt.) Ltd Lab on 20-09-2016 report Ref: EHS-367/2016, all of the major polluting parameters are in compliance with NEQS.

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

- Environmental policy and procedure
- Facility visit and review of the production process
- Review of the lab test reports for environmental compliance

Non-compliance:

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

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

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)	40 workers (8 x 5 group)	
D: Number of individual interviews (Please see SMETA Best Practice Guidance and Measurement Criteria)	Male: 05	Female: 17
E: Total number of interviewed workers (Please see SMETA Best Practice Guidance and Measurement Criteria)	Male: 18	Female: 44
F: Interviews were done in private and the confidentiality of the interview process was communicated to the workers?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	
G: In general, what was the attitude of the workers towards their workplace?	<input checked="" type="checkbox"/> Favourable <input type="checkbox"/> Non-favourable <input type="checkbox"/> Indifferent	
H: What was the most common worker complaint?	No specific complaint	
I: What did the workers like the most about working at this site?	Continuous work, on time payment and work environment	
J: Any additional comment(s) regarding interviews:	NIL	
K: Attitude of workers to hours worked:	No Specific Complaint	

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: NIL

B: Were agency workers' age/pay/hours included within scope of this audit	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> NA
C: Were sufficient documents for agency workers available for review?	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> NA

Other findings






Other Findings Outside the Scope of the Code
Nil

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>
Nil

Photo Form

		
Factory Main gate	Workers Attendance	Abstracts of law
		
Notice board	Fire safety equipments	Layering section
		
Operator using PPE at Cutting section	Numbering section	Fusing section

		
Sewing section	Checking section	Washing section
		
Chemical storage area	Rubber mat at electric panel	Waste water treatment Plant
		
Push bar Emergency exit with emergency light	Clear pathways	Worker canteen
		
Metal detection process	Packing section	Finish goods warehouse

		
NC: Chemical drums without identification, MSDS & secondary containment	NC: Insufficient medical supplies in first aid box	NC: pulley guard not installed on machine
		
NC: pulley guard not installed on machine	NC: Fire extinguisher found blocked	

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

[Click here for B members:](#)

http://www.surveymonkey.com/s.aspx?sm=d3vYsCe48fre69DRgIY_2brg_3d_3d



For more information on Sedex please go to www.sedexglobal.com
or email auditing@sedexglobal.com
