



Sedex Members Ethical Trade Audit Report

Version 6.1



Audit Details				
Sedex Company Reference: <i>(only available on Sedex System)</i>	ZC422844526	Sedex Site Reference: <i>(only available on Sedex System)</i>	ZS422844528	
Business name (Company name):	Al Ghani Terry Mills (Pvt.) Ltd.			
Site name:	Al Ghani Terry Mills Pvt Ltd			
Site address:	216 Barra Muhd. Wala, 3 K.M. Bypass Chowk Jaranwala Road Faisalabad 38000 PK	Country:	PK	
Site contact and job title:	Muhammad Usama Arif / Director			
Site phone:	92 321 7608194	Site e-mail:	usama@alghanitex.com	
SMETA Audit Pillars:	<input checked="" type="checkbox"/> Labour Standards	<input checked="" type="checkbox"/> Health and Safety (plus Environment 2-Pillar)	<input type="checkbox"/> Environment 4-pillar	<input type="checkbox"/> Business Ethics
Date of Audit:	2024-03-18			

Audit Company Name:
Intertek Pakistan

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

Audit Content:

- (1) A SMETA audit was conducted which included some or all of Labour Standards, Health & Safety, Environment and Business Ethics. The SMETA Best Practice Version 6.1 (March 2019) was applied. The scope of workers included all types at the site e.g. direct employees, agency workers, workers employed by service providers and workers provided by other contractors. Any deviations from the SMETA Methodology are stated (with reasons for deviation) in the SMETA Declaration.
- (2) The audit scope was against the following reference documents
2-Pillar SMETA Audit
 - ETI Base Code
 - SMETA Additions
 - Universal rights covering UNGP
 - Management systems and code implementation,
 - Responsible Recruitment
 - Entitlement to Work & Immigration,
 - Sub-Contracting and Home working,**4-Pillar SMETA**
 - 2-Pillar requirements plus
 - Additional Pillar assessment of Environment
 - Additional Pillar assessment of Business Ethics
 - The Customer's Supplier Code (Appendix 1)
- (3) Where appropriate non-compliances were raised against the ETI code / SMETA Additions & local law and recorded as non-compliances on both the audit report, CAPR and on Sedex.
- (4) Any Non-Compliance against customer code shall not be uploaded to Sedex. However, in the CAPR these 'Variances in compliance between ETI code / SMETA Additions/ local law and customer code' shall be noted in the observations section of the CAPR.

SMETA Declaration

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

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

Auditor Team			
Lead Auditor:	Muhammad Imran Ghaffar	APSCA Number:	21703598
Additional Auditors:			
Date of declaration:	2024-03-18		

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

Site Representation	
Full Name:	Muhammad Usama Arif
Title:	Director
Date of declaration:	2024-03-18
Comments:	<p><i>Any exceptions to this must be recorded here (e.g. different sample size):</i> <i>Sampled wage records from the past 5 months were provided for review (5 months only since the operation for digital thermometer just started last Sep 2020).</i> <i>The audit took 2.0 man-days (9AM-6PM per day). Audit time was extended until 8PM due to the extent of documentation; this was agreed upon with the factory representatives</i></p>
Nil	

Summary of Findings

Issue <i>(please click on the issue title to go direct to the appropriate audit results by clause)</i>	Area of Non-Conformity		Number of issues			Findings
	ETI	Local Law	NC	Obs	GE	
0A - Universal rights covering UNGP			0	0	0	
0B - Management systems and code implementation			0	0	0	
1 - Freely chosen employment			0	0	0	
2 - Freedom of association and right to collective bargaining are respected	2.1		1	0	0	NC - 977fc528-f8c0-4e50-9903-4d38048144fd
3 - Working conditions are safe and hygienic	3.1 3.1 3.1 3.1 3.1 3.1 3.1	§1 §2 §3	7	0	0	NC - 5d14db59-154a-443a-aedf-6ac61714d4d3 NC - b17e3c99-eab6-4c4c-a58c-944d02a9df9c NC - dd2cf0f4-957c-4ba6-b629-6a2c66e4c6a6 NC - e8d0fbf0-5c87-4795-84c5-d80ad7abfd65 NC - 435196aa-3687-41c3-a4b5-c2941d11e283 NC - e6089c40-3c0a-482f-942c-645da4f2e3af NC - 496e7bbf-fc4a-4352-aeba-1bf38a553bf9
4 - Child labour shall not be used			0	0	0	
5 - Living wages are paid			0	0	0	
6 - Working hours are not excessive			0	0	0	
7 - No discrimination is practiced			0	0	0	
8 - Regular employment is provided			0	0	0	
8A - Subcontracting and homeworking			0	0	0	
9 - No harsh or inhumane treatment is allowed			0	0	0	
10A - Entitlement to work and immigration			0	0	0	
10B2 - Environment 2-pillar			0	0	0	
10B4 - Environment 4-pillar			0	0	0	
10C - Business ethics 4-pillar			0	0	0	

Local Law Issues

Issue	Description
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§1	12. Packing and Labeling: (1) A container of a hazardous substance shall be of such size, material and design as to ensure that – a. It can be stored, transported and used without leakage, and safely; b. The hazardous substance therein does not deteriorate in a manner as to render it more likely to cause, directly or in combination with other substances, an adverse environmental effect. (2) The following information shall be printed conspicuously, legibly and indelibly on every container of a hazardous substance – i. Name of the hazardous substance; ii. Name, address and license number of the licensee; iii. Net contents (volume or weight); iv. Date of manufacture and date of expiry, if any; v. a warning statement comprising – a. the word “DANGER!” in red on a contrasting background; b. a picture of a skull and crossbones;
§2	PUNJAB FACTORIES RULES, 1978 - APPENDIX I - (a) In factories employing more than 9, but less than 21 workers each first aid box or cupboard shall contain — (i) Printed instructions in Urdu where the factory is situated for treatment of different types of injuries as per Appendix 'II'. (ii) A sufficient number (not less than two dozen) of small sterilized dressings for fingers. (iii) A sufficient number (not less than one dozen) of medium size sterilized dressings for hands and feet. (iv) A sufficient number (not less than one dozen) of small sterilized dressings for other parts of the body. (v) A sufficient number of sterilized dressings (small and large) for burns. (vi) A two per cent alcoholic solution of iodine or a one per cent aqueous solution of gentian violet, (vii) A bottle of salvolatile, having the dose and mode of administration indicated on the label. (viii) Eye drops.
§3	In Accordance with: Factory Act 1934, Section 26, 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.

Site Details

Site Details			
Company Name	Al Ghani Terry Mills (Pvt.) Ltd.		
Site Name	Al Ghani Terry Mills Pvt Ltd		
GPS location (if available)	GPS Address:	216 Barra Muhd. Wala, 3 K.M. Bypass Chowk Jaranwala Road	
	Coordinates:	Latitude 31.379094, Longitude 73.2353821	
Applicable business and other legally required licence numbers and documents, for example, business license number, liability insurance, any other required government inspections	Labor Registration: 2022010800140, National Tax Number: 4033200-4, Certificate of Incorporation: 080848		
Products/Activities at site, for example, garment manufacture, electricals, toys, grower, cutting, sewing, packing etc	Product: Terry Towel fabric. Process: Warping, Sizing, Weaving, Folding, Fabric Inspection & Dispatch		
Site description: (Include size, location, and age of site. Also, include structure and number of buildings)	Al Ghani Terry Mills (Pvt) Ltd. audit was conducted on Feb, 21. 2023 which is located at 216 Barra Muhd. Wala, 3 K.M. Bypass Chowk Jaranwala Road, Faisalabad - Pakistan. Factory was established in 2022. Total area of the factory is 72862 square feet whereas approximate covered area is 45840 sq/ft.		
Structure and number of buildings	Building Name:		Building No. 01
	Floor	Description	Remark
	Ground Floor	Warping Hall, Sizing Hall, Weaving Hall, Folding & Inspection Area, Boiler Area, Greige Fabric Storage Hall, Office Block	None
	Building Name:		Building No. 02
	Floor	Description	Remark
	Ground Floor	Time Office, Security Office & Generator Area	None
	Building Name:		Building No. 03
	Floor	Description	Remark
	Ground Floor	Mosque & Workers Washrooms	None
Visible structural integrity issues (large cracks) observed?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No Please give details: No cracks were found during the audit.		

Does the site have a structural engineer evaluation?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No Please give details: Building Stability Certificate Issuance date 12/19/2020 Ref # 1341- 8c-2020 from Hafeez Associates PEC Civil # 13077
Site function	<input type="checkbox"/> Agent <input checked="" type="checkbox"/> Factory Processing/Manufacturer <input checked="" 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
Months of peak season	
Process overview	Warping, Sizing, Weaving, Folding, Fabric Inspection & Dispatch
What form of worker representation is there on site?	<input type="checkbox"/> Union <input checked="" type="checkbox"/> Worker Committee <input type="checkbox"/> Other <input type="checkbox"/> None
Please give details:	Factory has established Joint Work Council with the fair voting methodology.
Is there any night production work at the site?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
Are there any on site provided worker accommodation buildings	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No Please give details:
Are there any off site provided worker accommodation buildings	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No Please give details:
Were all site provided accommodation buildings included in this audit	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No Please give details: Factory has not provided any onsite or offsite accommodation.

Audit Parameters		
Time in and time out	Day 1	
	In	09:17
	Out	16:58
Audit type:	FULL_INITIAL	
Was the audit announced?	SEMI_ANNOUNCED	
Was the Sedex SAQ available for review?	Yes	
Any conflicting information SAQ/Pre-Audit Info to Audit findings?	No	
Who signed and agreed CAPR	Muhammad Usama Arif / Director	
Is further information available	No	

Audit attendance	Management	Worker Representatives	
	Senior management	Worker Committee representatives	Union representatives
A: Present at the opening meeting?	Yes	Yes	No
B: Present at the audit?	Yes	Yes	No
C: Present at the closing meeting?	Yes	Yes	No
<i>Reason for absence at the opening meeting</i>	No labour union exists. Joint Work Council committee exists as a parallel means of worker representation.		
<i>Reason for absence during the audit</i>	No labour union exists. Joint Work Council committee exists as a parallel means of worker representation.		
<i>Reason for absence at the closing meeting</i>	No labour union exists. Joint Work Council committee exists as a parallel means of worker representation.		

Worker Analysis

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

Worker Analysis								
	Local			Migrant*			Home workers	Total
	Permanent	Temporary	Agency	Permanent	Temporary	Agency		
Worker numbers - male	48	0	0	0	0	0	0	48
Worker numbers - female	0	0	0	0	0	0	0	0
Total	48	0	0	0	0	0	0	48
Number of Workers interviewed - male	10	0	0	0	0	0	0	10
Number of Workers interviewed - female	0	0	0	0	0	0	0	0
Total - interviewed sample size	10	0	0	0	0	0	0	10

Nationalities Structure	
Nationality of Management	Pakistani
Please list the nationalities of all workers, with the three most common nationalities listed first.	Nationality 1: Pakistani approx %: 100%
Was this list completed during peak season?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No Please give details: There was no peak season in the facility.
Worker remuneration	Workers on piece rate: 0%
	Paid hourly: 0%
	Salaried: 100%
Payment cycle	Paid daily: 0%
	Paid weekly: 0%
	Paid monthly: 100%
	Other: 0%
	Details for other: NA

Worker Interview Summary	
Were workers aware of the audit?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
Were workers aware of the code?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
Number of group interviews:	1 Group of 4
Number of individual interviews:	Male: 10 Female: 0
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"/> Yes <input type="checkbox"/> No Please give details:
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
In general, what was the attitude of the workers towards their workplace?	<input checked="" type="checkbox"/> Favorable <input type="checkbox"/> Non-favourable <input type="checkbox"/> Indifferent
What was the most common worker complaint?	No complaint noted. All workers interviewed had a positive attitude towards management and co-workers.
What did the workers like the most about working at this site?	Friendly work environment, legally required benefits provided and on-time payment.
Any additional comment(s) regarding interviews:	Employees were found comfortable and candid during interview.
Attitude of workers to hours worked:	Employees were satisfied with daily shift hours, and in case of overtime, workers can deny overtime work as per their wish.
Is there any worker survey information available?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No Please give details:

Attitude of workers:

06 employees were selected for the individual interview and total 04 employees in 01 group were selected for the group interview, all interviews were conducted in confidential manner without management. No negative comments about management and workplace highlighted during the employees interviews. Employees like to work in the factory due to high job security, good working condition, satisfied working systems and benefits and no negative feedback about the factory

Attitude of worker's committee/union reps:

Facility has established Worker Council Committee. Workers Representatives, who are the member of Workers Council, were not present during opening and closing meeting. However, Joint Workers Council member was interviewed during the audit process, who had favourable response towards management attitude and had no negative information.

Attitude of managers:

The facility management showed a positive attitude to this audit during the whole process. At the end of the audit, all findings and suggested corrective actions were accepted by the facility management.

0A - Universal Rights covering UNGP
[Summary of Findings]

0A: Compliance Requirements

- 0.A.1 Businesses should have a policy, endorsed at the highest level, covering human rights impacts and issues, and ensure it is communicated to all appropriate parties, including its own suppliers.
- 0.A.2 Businesses should have a designated person responsible for implementing standards concerning Human rights
- 0.A.3 Businesses shall identify their stakeholders and salient issues.
- 0.A.4 Businesses shall measure their direct, indirect, and potential impacts on stakeholders (rights holders) human rights.
- 0.A.5 Where businesses have an adverse impact on human rights within any of their stakeholders, they shall address these issues and enable effective remediation.
- 0.A.6 Businesses shall have a transparent system in place for confidentially reporting, and dealing with human rights impacts without fear of reprisals towards the reporter. Note for auditors and readers. This is not a full Human Rights Assessment, but instead a check on the business's implementation of processes to meet their Universal rights covering UNGP responsibilities.

Current Systems and Evidence Examined

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

Current Systems:

- Facility has defined policy endorsed at the highest level covering human rights impacts and issues and it is communicated to all appropriate parties and suppliers.
- Facility has designated person Mr. Kamran – Manager HR & Compliance to implement standards concerning human rights.
- Facility has identified its stakeholders and salient issues.
- Facility has measure direct and indirect impacts and potential impacts on stakeholders.
- Facility has transparent system for confidentiality on reporting and dealing with human rights impacts without any fear of reprisals towards the reporter.

Evidence examined:

- Human Rights Policy
- Suppliers' Social Audit Records
- Suppliers' Approval System
- Employee Training
- Records, Workers' Interviews

Any other comments:

None

Policy statement that expresses commitment to respect human rights?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No Please give details: Facility has implemented Policy that expresses commitment to respect human rights.
Are the policies included in workers' manuals?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No Please give details: Policies found translated in local language and included in the Workers' Handbook

<p>Does the business have a designated person responsible for implementing standards concerning Human Rights?</p>	<p><input checked="" type="checkbox"/> Yes <input type="checkbox"/> No</p> <p>Please give details:</p> <p>HR & Compliance representative is responsible for implementing standards concerning Human Rights Name: Mr. Kamran Job title: (Manager HR & Compliance).</p>				
<p>Does the business have a transparent system in place for confidentially reporting, and dealing with human rights impacts without fear of reprisals towards the reporter?</p>	<p><input checked="" type="checkbox"/> Yes <input type="checkbox"/> No</p> <p>Please give details:</p> <p>Factory does have transparent system in place for confidentially reporting, and dealing with human rights impacts without fear of reprisals towards the reporter.</p>				
<p>Does the grievance mechanism meet UNGP expectations? (Legitimate, Accessible, Predictable, Equitable, Transparent, Rights-compatible, a source of continuous learning and based on stakeholder engagement)</p>	<p><input checked="" type="checkbox"/> Yes <input type="checkbox"/> No</p>				
<p>Does the business demonstrate effective data privacy procedures for workers' information, which is implemented?</p>	<p><input checked="" type="checkbox"/> Yes <input type="checkbox"/> No</p> <p>Please give details:</p> <p>Factory has established procedures for data privacy for workers and suppliers.</p>				
<p>Measuring Workplace Impact</p>					
<p>Annual worker turnover(Number of workers leaving in last 12 months as a % of average total number of workers on site over the year (annual worker turnover))</p>	<table border="0"> <tr> <td>Last year</td> <td style="text-align: right;">5.0%</td> </tr> <tr> <td>This year</td> <td style="text-align: right;">4.0%</td> </tr> </table>	Last year	5.0%	This year	4.0%
Last year	5.0%				
This year	4.0%				
<p>Current % quarterly (90 days) turnover(Number of workers leaving from the first of the 90 day period through to the last day of the 90 day period / [(number of employees on the 1st day of 90 day period + number of employees on the last day of the 90 day period) / 2])</p>	<p>4.0%</p>				
<p>Annual % absenteeism(Number of days lost through job absence in the year / [(number of employees on 1st day of the year + number employees on the last day of the year) / 2] * number available workdays in the year)</p>	<table border="0"> <tr> <td>Last year</td> <td style="text-align: right;">3.0%</td> </tr> <tr> <td>This year</td> <td style="text-align: right;">4.0%</td> </tr> </table>	Last year	3.0%	This year	4.0%
Last year	3.0%				
This year	4.0%				
<p>Quarterly (90 days) % absenteeism(Number of days lost through job absence in the period / [(Number of employees on 1st of the period + Number of employees on the last day of the period) / 2] * Number of available workdays in the month)</p>	<p>4.0%</p>				

Are accidents recorded?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No Please give details: No industrial accident has happened in last two years. Only minor work injuries had occurred as confirmed through management and workers interview. All injuries are recorded in the accident/injury log.	
Annual Number of work related accidents and injuries per 100 workers((Number of work related accidents and injuries * 100) / Number of total workers)	Last year	4.0%
	This year	3.0%
Quarterly (90 days) number of work related accidents and injuries per 100 workers((Number of work related accidents and injuries * 100) / Number of total workers)	3.0%	
Lost day work cases per 100 workers([(Number of lost days due to work accidents and work related injuries * 100) / Number of total workers)	Last year	0.0%
	This year	0.0%
% of workers that work on average more than 48 standard hours / week in the last 6 / 12 months	6 month	0.0%
	12 month	0.0%
% of workers that work on average more than 60 total hours / week in the last 6 / 12 months	6 month	0.0%
	12 month	0.0%

OB - Management Systems and code Implementation
[Summary of Findings]

OB: Compliance Requirements

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

Current Systems and Evidence Examined

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

Current Systems:

- Factory has established, documented, maintained, and effectively communicated Social. compliance policy and procedure in its social Compliance manual. As per policy "Al Ghani Terry Mills (Pvt.) Ltd" is committed to providing a workplace environment complying with and compatible with all applicable laws.
- The facility discourages discrimination and employment of children and forced labour, harassment/abuse or corporal punishment and all other activities that contradict local laws and buyer's code of conduct.
- Local government departments like the Labour department, Civil Defence, Boiler certificate, Environmental NOC, Electrical Installation report etc.
- Facility is aware on local laws concerning child labour, forces labour, wages, compensations, health, and safety, working hours, abuse and harassment, environments etc. Facility obtains law updates. from labour department and has subscription of different law websites like (www.pakistanlawsite.com) recent update has been received from labour departments for revision of minimum wages (The Punjab Gazette 30 June 2023).
- Facility has appointed Mr. Kamran – Manager HR & Compliance to ensure implementation of local law and international labour standards requirement and during interview Mr. Kamran – Manager HR & Compliance found aware of all requirements.
- Facility is conducting internal audits on annual basis to ensure effectiveness of social policy and procedure last internal audit was conducted on 25 January 2024.
- The factory has taken written commitment from all its suppliers to comply with social compliance.

Evidence examined:

- Social Compliance Management System Manual with all social policies and procedures.
- Job Description of Head of HR & Sustainability
- Facility visits and check notices boards for communication of code with workers.
- Internal audits record
- Compliance Certificate

Any other comments:

None

Management Systems

In the last 12 months, has the site been subject to any fines/prosecutions for non-compliance to any regulations?

Yes No

Please give details:

During the audit, no evidence found that the facility had any fine for non-compliance against the facility during the last 12 months.

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 give details: The factory has developed written policies and procedures to reduce the risk of forced labour, child labour, discrimination, harassment & abuse relating to labour practices.
If Yes, is there evidence (an indication) of effective implementation? Please give details.	Verified during documents review, management and workers interview
Have managers and workers received training in the standards for forced labour, child labour, discrimination, harassment & abuse?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No Please give details: Managers and workers have received training in the standards for forced labour, child labour, discrimination, harassment & abuse.
If Yes, is there evidence (an indication) that training has been effective e.g. training records etc.? Please give details	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No Please give details: Last training was found conducted on 23/01/2024.
Does the site have any internationally recognised system certifications e.g. ISO 9000, 14000, OHSAS 18000, SA8000 (or other social audits)?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No Please give details: No certification scheme found.
Is there a Human Resources manager/department?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No Mr. Kamran – Manager HR & Compliance is responsible for overall HR matters.
Is there a senior person /manager responsible for implementation of the code?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No Please give details: Mr. Kamran – Manager HR & Compliance is responsible for implementation of the code.
Is there a policy to ensure all worker information is confidential?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No Please give details: Facility has policy in place for employees' information to be confidential.
Is there an effective procedure to ensure confidential information is kept confidential?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No Please give details: Facility has documented confidentiality policy which is explained to all employees and implemented in all departments.
Are risk assessments conducted to evaluate policy and procedure effectiveness?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No Please give details: Factory evaluates effectiveness of policy and procedures and revised as and when needed.

Does the facility have a process to address issues found when conducting risk assessments, including implementation of controls to reduce identified risks?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No Please give details: Risk assessment addresses all the identified risk issues in the factory.
Does the facility have a policy/code which require labour standards of its own suppliers?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No Please give details: Facility has developed supplier selection policy and procedure, which require them to adhere labour standards.
Land Rights	
Does the site have all required land rights licenses and permissions (see SMETA Measurement Criteria)?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No Please give details: Site has all required land right licenses and permissions.
Does the site have systems in place to conduct legal due diligence to recognize and apply national laws and practices relating to land title?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No Please give details: Factory has a system in place to conduct legal due diligence relating to land title.
Does the site have a written policy and procedures specific to land rights?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No Please give details: As per the legal requirement, factory has obtained all licenses and approved construction layout by the concerned local authority which include due diligence the company will undertake to obtain FPIC.
Is there evidence that facility/site compensated the owner/lessor for the land prior to the facility being built or expanded?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No Please give details: Factory owner has paid for the land prior to the facility being built or expanded.
Does the facility demonstrate that alternatives to a specific land acquisition were considered to avoid or minimize adverse impacts?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No Please give details: Factory has obtained all licenses required by local law.
Is there any evidence of illegal appropriation of land for facility building or expansion of footprint?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No Please give details: There is no illegal appropriation of land and all the legal licenses for the land and buildings.

1 - Freely chosen Employment
[Summary of Findings]

1: Compliance Requirements

- 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:

- Based on the policy review, employment relationship is in voluntary basis for both regular and overtime work.
- As the evidence of voluntary basis for regular work the facility practices as below: on hiring process the facility requires all hiring documents such as employment contract that explicitly affirming statement that applicants are seeking employment voluntarily and are not under of any penalty. This employment contract is signed by employee and HR department and kept on personnel file.
- The facility verifies original documents such as copy of national ID card, copy of school certificate and only keeps copies of employees' original documents.
- The employees worked overtime on voluntary basis. Based on the employees' interviews, it was noted that they have a right to refuse overtime work.
 1. There is no evidence that employees' freedom of movements is necessarily impeded.
 2. The employees are free to leave once their shift ends.
 3. The employees are given reasonable time off to pray.
 4. The employees are not bonded or indentured.
 5. The employees are issued their wages directly.
 6. No prison labour is employed at the facility.

Evidence examined:

- Personnel files (10 were checked)
- Resignation records
- Personal Files
- Factory rules/Company Policies
- Employee Handbook
- Management and Worker Interviews
- Contracts of Security Guards

Any other comments:

None

Is there any evidence of retention of original documents, e.g. passports/ID' (If yes, please give details and category of workers affected)	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No Please give details:
Is there any evidence of a loan scheme in operation (If yes, please give details and category of workers affected)	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No Please give details:
Is there any evidence of retention of wages / deposits (If yes, please give details and category of workers affected)	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No Please give details:

<p>Are there any restrictions on workers' freedom to terminate employment?</p>	<p><input type="checkbox"/> Yes <input checked="" type="checkbox"/> No</p> <p>Please give details:</p> <p>Employee resignations are not restricted by any means as has been reported in the policies and verified in the worker interviews.</p>
<p>If any part of the business is UK based or registered there & has a turnover over £36m, is there a published a 'modern day slavery statement'?</p>	<p><input type="checkbox"/> Yes <input type="checkbox"/> No <input checked="" type="checkbox"/> Not Applicable</p> <p>Please give details:</p> <p>Not registered in UK.</p>
<p>Is there evidence of any restrictions on workers' freedoms to leave the site at the end of the work day?</p>	<p><input type="checkbox"/> Yes <input checked="" type="checkbox"/> No</p> <p>Please give details:</p> <p>No such restriction in place</p>
<p>Does the site understand the risks of forced / trafficked / bonded labour in its supply chain</p>	<p><input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> Not Applicable</p> <p>Please give details:</p> <p>Risk was found documented and controlled per details in the risk assessment document.</p>
<p>Is the site taking any steps taking to reduce the risk of forced / trafficked labour?</p>	<p><input checked="" type="checkbox"/> Yes <input type="checkbox"/> No</p> <p>Please give details:</p> <p>Supplier evaluation is carried out before placing an order with a new supplier based on all human rights issues and evaluation of current suppliers is carried out based on such issues as well.</p>

2 - Freedom of Association and Right to Collective Bargaining are Respected
[Summary of Findings]

2: Compliance Requirements

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

Current Systems and Evidence Examined

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

Current Systems:

- The facility has defined freedom of association policy and procedure in its social compliance. manual, as per policy "Al Ghani Terry Mills (Pvt.) Ltd" respects the just, legal, ethical, and social rights, facilities and needs of all employees. Purely on non-discriminatory basis, all employees of the company possess 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.
- Currently there is no worker union, however Workers have constituted Joint Work Council as a parallel means.
- The facility has constituted a Joint Work Council, comprising 03 worker and 03 management representatives. Worker's representatives were selected by the workers through electoral process, while management representatives were nominated by the management. Workers Representative selected 20 Oct 2022 for a period of two years.
- The council meets quarterly and discusses the worker's issues and complaints and gives its recommendations to the management for the rectification of the issues. Last meeting of the council was conducted on 13 February 2024. Record of the same was verified during audit.

Evidence examined:

- Freedom of Association policy and procedure
- Joint Work Council election records
- Joint Work Council meeting minutes
- Interviews and discussion with workers and council representatives

Any other comments:

None

What form of worker representation/union is there on site? (Please add the name of the union or committee in the textbox)	<input type="checkbox"/> Union <input type="checkbox"/> Other	<input checked="" type="checkbox"/> Worker Committee <input type="checkbox"/> None
Other details:	•Joint Work Council	
Is it a legal requirement to have a union?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	
Is it a legal requirement to have a worker's committee?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	
Is there any other form of effective worker/management communication channel? (Other than union/worker committee e.g. H&S, sexual harassment)	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No Please give details: Facility has provided compliant and suggestion boxes, Health & Safety committee.	

Is there evidence of free elections?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
Does the supplier provide adequate facilities to allow the Union or committee to conduct related business?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No Please give details: Facility has provided proper meeting room to facilitate the worker's committee to conduct their activities.
Name of union and union representative, if applicable:	There is no union in the factory
Is there evidence of free elections?	<input type="checkbox"/> Yes <input type="checkbox"/> No <input checked="" type="checkbox"/> Not Applicable
If there is no union, is there a parallel means of consultation with workers e.g. worker committees?	Joint Work Council
Is there evidence of free elections?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> Not Applicable
Are all workers aware of who their representatives are?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No Please give details: Workers were aware about their representatives; Factory is providing regular training about Freedom of association and Grievance mechanism protocol.
Were worker representatives freely elected?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
Date of last election:	2021-10-20
Do workers know what topics can be raised with their representatives?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
Were worker representatives/union representatives interviewed?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
If Yes, please state how many:	2.0
Please describe any evidence that union/worker's committee is effective? Specify date of last meeting; topics covered; how minutes were communicated etc.	Worker council Committee, Last meeting of the council was held on 13/02/2024, Meeting minutes were posted at production floors and available to workers, and Last meeting topics covered awareness to workers on labor laws, installation of first aid boxes, cleaning of greige section & others.
Are any workers covered by Collective Bargaining Agreement (CBA)?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No

Non-Compliance		Evidence
[Back to findings summary]		
Non-Compliance		
Status	OPEN	
Reference	977fc528-f8c0-4e50-9903-4d38048144fd	
Clause	2 - Freedom of Association and Right to Collective Bargaining are Respected	
Issue Title	137 - A committee exists but workers do not know about the worker committee / its function and / or who their representatives are	
Subcategory	Effectiveness of Representation Body	
New or carried over?	<input checked="" type="checkbox"/> New <input type="checkbox"/> Carried Over	
Root cause	<input type="checkbox"/> Training <input checked="" type="checkbox"/> System <input type="checkbox"/> Costs <input type="checkbox"/> Lack of workers <input type="checkbox"/> Other	
Root cause - Other		
ETI code	2.1 - Workers, without distinction, have the right to join or form trade unions of their own choosing and to bargain collectively.	
Explanation to the non compliance	During the site visit, it was noted that although the Joint work council regularly meets, however minutes of meetings were not displayed at the prominent places.	
Follow up method	<input type="checkbox"/> Follow up audit <input checked="" type="checkbox"/> Desktop audit	
Timescale	<input type="checkbox"/> Immediate <input type="checkbox"/> 30 days <input checked="" type="checkbox"/> 60 days <input type="checkbox"/> 90 days <input type="checkbox"/> 120 days <input type="checkbox"/> 180 days <input type="checkbox"/> 365 days <input type="checkbox"/> Other	
Actions	It is recommended that the facility should display the minutes of meetings at prominent places for the awareness of workers.	

3 - Working Conditions are Safe and Hygienic
[Summary of Findings]

3: Compliance Requirements

- 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 Health and Safety policy and procedure in its social compliance manual as per policy "Company's core priority is to provide employees with neat and clean, safe and healthy environment.
- Company's facilities include availability of edible items including potable water, separated toilets, tidy and unpolluted air, noise safety, adequate lighting, installation of firefighting, first aid and other emergency equipment and related drills / trainings.
- All the fire extinguishers are fully charged, with marking of the current inspection date.
- The facility conducts firefighting, evacuation drill and first aid training on regularly basis.
- Access to clean toilets is provided to all employees and potable water coolers are provided on each production floors.
- Mr. Kamran – Manager HR & Compliance is responsible for Health & Safety issues and implementation of codes of Health & Safety.
- Facility has a dedicated pump for fire emergencies.
- At least two (2) fire exits were provided at each floor except canteen.
- Passages and aisles were found clear and free from obstructions.

Evidence examined:



- Health and safety policy and procedure.
- Certificate of building stability
- Electrical installation inspection report
- Evacuation drill records
- Firefighting equipment inspection certificate
- EHS trainings like first aid, firefighting, chemical Safety and Use of PPEs and Machine Safety records
- Injury and accident records for the years of 2023 & 2024.
- Health and safety inspection reports.
- Machineries and equipment inspection reports.
- Fire safety list of equipment
- Machine maintenance record.
- Test reports of drinking water
- Workers hygiene cards and vaccination reports.

Any other comments:



None


<p>Does the facility have general and occupational Health & Safety policies and procedures that are fit for purpose and are these communicated to workers?</p>	<p><input checked="" type="checkbox"/> Yes <input type="checkbox"/> No</p> <p>Please give details:</p> <p>Health & safety and occupational health and safety policies and procedures exist and found communicated to all workers through periodic awareness sessions.</p>
<p>Are the policies included in workers' manuals?</p>	<p><input checked="" type="checkbox"/> Yes <input type="checkbox"/> No</p> <p>Please give details:</p> <p>Employees are communicated about the policies and procedures through employee trainings, handbook and notice board.</p>
<p>Are there any structural additions without required permits/inspections (e.g. floors added)?</p>	<p><input type="checkbox"/> Yes <input checked="" type="checkbox"/> No</p> <p>Please give details:</p> <p>No additions to building structures without permits/inspections</p>
<p>Are visitors to the site informed on H&S and provided with personal protective equipment?</p>	<p><input checked="" type="checkbox"/> Yes <input type="checkbox"/> No</p> <p>Please give details:</p> <p>A visitor handbook provided to all visitors and personal protective equipment provided where necessary.</p>
<p>Is a medical room or medical facility provided for workers?(This section is to list evidence to support system description (Documents examined & relevant comments. Include renewal/expiry date where appropriate))</p>	<p><input type="checkbox"/> Yes <input checked="" type="checkbox"/> No</p> <p>Please give details:</p> <p>Facility does not provide medical room in the facility.</p>
<p>Is there a doctor or nurse on site or there is easy access to first aider/ trained medical aid?</p>	<p><input checked="" type="checkbox"/> Yes <input type="checkbox"/> No</p> <p>Please give details:</p> <p>Facility has allocated trained first aiders and employees have access to the first aiders in case of any injury. there were 08 first aiders in the facility.</p>
<p>Where the facility provides worker transport – is it fit for purpose, safe, maintained and operated by competent persons e.g. buses and other vehicles?</p>	<p><input type="checkbox"/> Yes <input checked="" type="checkbox"/> No</p> <p>Please give details:</p> <p>Facility has not provided worker transport</p>
<p>Is secure personal storage space provided for workers in their living space and is fit for purpose?</p>	<p><input type="checkbox"/> Yes <input checked="" type="checkbox"/> No</p> <p>Please give details:</p> <p>No dormitory provided by the facility.</p>
<p>Are H&S Risk assessments are conducted (including evaluating the arrangements for workers doing overtime e.g. driving after a long shift) and are there controls to reduce identified risk?</p>	<p><input checked="" type="checkbox"/> Yes <input type="checkbox"/> No</p> <p>Please give details:</p> <p>Last risk assessment conducted on 21/12/2023.</p>

Is the site meeting its legal obligations on environmental requirements including required permits for use and disposal of natural resources?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No Please give details: Facility is meeting the local law requirements on environmental requirements including required permits for use and disposal of natural resources. Facility has EPA approved NOC.
Is the site meeting its customer requirements on environmental standards, including the use of banned chemicals?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No Please give details: No banned chemicals used by the facility.


Non-Compliance		Evidence
[Back to findings summary]		
Non-Compliance		
Status	OPEN	
Reference	5d14db59-154a-443a-aedf-6ac61714d4d3	
Clause	3 - Working Conditions are Safe and Hygienic	
Issue Title	232 - Non-hazardous chemicals are stored unlabelled or labelling is incorrect	
Subcategory	Chemicals	
New or carried over?	<input checked="" type="checkbox"/> New <input type="checkbox"/> Carried Over	
Root cause	<input checked="" type="checkbox"/> Training <input type="checkbox"/> System <input type="checkbox"/> Costs <input type="checkbox"/> Lack of workers <input type="checkbox"/> Other	
Root cause - Other		
Local law issue	<p>12. Packing and Labeling: (1) A container of a hazardous substance shall be of such size, material and design as to ensure that – a. It can be stored, transported and used without leakage, and safely; b. The hazardous substance therein does not deteriorate in a manner as to render it more likely to cause, directly or in combination with other substances, an adverse environmental effect. (2) The following information shall be printed conspicuously, legibly and indelibly on every container of a hazardous substance – i. Name of the hazardous substance; ii. Name, address and license number of the licensee; iii. Net contents (volume or weight); iv. Date of manufacture and date of expiry, if any; v. a warning statement comprising – a. the word “DANGER!” in red on a contrasting background; b. a picture of a skull and crossbones;</p>	
ETI code	<p>3.1 - A safe and hygienic working environment shall be provided, bearing in mind the prevailing knowledge of the industry and of any specific hazards. Adequate steps shall be taken to prevent accidents and injury to health arising out of, associated with, or occurring in the course of work, by minimising, so far as is reasonably practicable, the causes of hazards inherent in the working environment.</p>	
Explanation to the non compliance	<p>During the site visit, it was noted that chemical drums in the sizing area and diesel oil drums in the generator area were stored without labelling.</p>	
Follow up method	<input type="checkbox"/> Follow up audit <input checked="" type="checkbox"/> Desktop audit	
Timescale	<input type="checkbox"/> Immediate <input type="checkbox"/> 30 days <input checked="" type="checkbox"/> 60 days <input type="checkbox"/> 90 days <input type="checkbox"/> 120 days <input type="checkbox"/> 180 days	
		 <p><u>Non-conformance - Oil Drums without labelling.jpeg</u></p>  <p><u>Non-conformance - Chemical Drum without labelling.jpeg</u></p>


	<input type="checkbox"/> 365 days <input type="checkbox"/> Other	
Actions	It is recommended that facility should store the chemicals & oil drums with proper labelling.	



Non-Compliance		Evidence
[Back to findings summary]		
Non-Compliance		
Status	OPEN	
Reference	b17e3c99-eab6-4c4c-a58c-944d02a9df9c	
Clause	3 - Working Conditions are Safe and Hygienic	
Issue Title	240 - No / inadequate safety measures / anti-explosion measures for chemicals (e.g. no anti-leaking system / secondary container / unbunded)	
Subcategory	Chemicals	
New or carried over?	<input checked="" type="checkbox"/> New <input type="checkbox"/> Carried Over	
Root cause	<input checked="" type="checkbox"/> Training <input checked="" type="checkbox"/> System <input type="checkbox"/> Costs <input type="checkbox"/> Lack of workers <input type="checkbox"/> Other	
Root cause - Other		
ETI code	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.	
Explanation to the non compliance	During the site visit, it was noted that chemical drums in the sizing area and diesel oil drums in the generator area were stored without secondary containment.	
Follow up method	<input type="checkbox"/> Follow up audit <input checked="" type="checkbox"/> Desktop audit	
Timescale	<input type="checkbox"/> Immediate <input checked="" type="checkbox"/> 30 days <input type="checkbox"/> 60 days <input type="checkbox"/> 90 days <input type="checkbox"/> 120 days <input type="checkbox"/> 180 days <input type="checkbox"/> 365 days <input type="checkbox"/> Other	
Actions	It is recommended that facility should provide the secondary containment underneath the chemical and oil drums.	
		 <p><u>Non-conformance - Oil Drums without secondary containment.jpeg</u></p>  <p><u>Non-conformance - Chemical drum without secondary containment.jpeg</u></p>


Non-Compliance		Evidence
[Back to findings summary]		
Non-Compliance		
Status	OPEN	
Reference	dd2cf0f4-957c-4ba6-b629-6a2c66e4c6a6	
Clause	3 - Working Conditions are Safe and Hygienic	
Issue Title	289 - First aid box available but contents are missing / contents out of date or otherwise inadequate	
Subcategory	First Aid / Accidents	
New or carried over?	<input checked="" type="checkbox"/> New <input type="checkbox"/> Carried Over	
Root cause	<input type="checkbox"/> Training <input checked="" type="checkbox"/> System <input checked="" type="checkbox"/> Costs <input type="checkbox"/> Lack of workers <input type="checkbox"/> Other	
Root cause - Other		
Local law issue	PUNJAB FACTORIES RULES, 1978 - APPENDIX I - (a) In factories employing more than 9, but less than 21 workers each first aid box or cupboard shall contain — (i) Printed instructions in Urdu where the factory is situated for treatment of different types of injuries as per Appendix 'II'. (ii) A sufficient number (not less than two dozen) of small sterilized dressings for fingers. (iii) A sufficient number (not less than one dozen) of medium size sterilized dressings for hands and feet. (iv) A sufficient number (not less than one dozen) of small sterilized dressings for other parts of the body. (v) A sufficient number of sterilized dressings (small and large) for burns. (vi) A two per cent alcoholic solution of iodine or a one per cent aqueous solution of gentian violet, (vii) A bottle of salvolatile, having the dose and mode of administration indicated on the label. (viii) Eye drops.	
ETI code	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.	
Explanation to the non compliance	During the site visit, it was noted that the one first aid was empty (without items) near the security or gate office.	
Follow up method	<input type="checkbox"/> Follow up audit <input checked="" type="checkbox"/> Desktop audit	
Timescale	<input type="checkbox"/> Immediate <input checked="" type="checkbox"/> 30 days <input type="checkbox"/> 60 days <input type="checkbox"/> 90 days <input type="checkbox"/> 120 days <input type="checkbox"/> 180 days	
		
		<p><u>Non-conformance - Empty First Aid Box.jpeg</u></p>

	<input type="checkbox"/> 365 days <input type="checkbox"/> Other	
Actions	It is recommended that the facility must ensure that first aid box is filled with necessary items all the time.	

Non-Compliance		Evidence																												
[Back to findings summary]																														
<table border="1"> <thead> <tr> <th colspan="2">Non-Compliance</th> </tr> </thead> <tbody> <tr> <td>Status</td> <td>OPEN</td> </tr> <tr> <td>Reference</td> <td>e8d0fbf0-5c87-4795-84c5-d80ad7abfd65</td> </tr> <tr> <td>Clause</td> <td>3 - Working Conditions are Safe and Hygienic</td> </tr> <tr> <td>Issue Title</td> <td>197 - Inadequate signage / instructions of fire alarm</td> </tr> <tr> <td>Subcategory</td> <td>Fire Safety - Fire alarms & Evacuation</td> </tr> <tr> <td>New or carried over?</td> <td> <input checked="" type="checkbox"/> New <input type="checkbox"/> Carried Over </td> </tr> <tr> <td>Root cause</td> <td> <input type="checkbox"/> Training <input checked="" type="checkbox"/> System <input type="checkbox"/> Costs <input type="checkbox"/> Lack of workers <input type="checkbox"/> Other </td> </tr> <tr> <td>Root cause - Other</td> <td></td> </tr> <tr> <td>ETI code</td> <td>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.</td> </tr> <tr> <td>Explanation to the non compliance</td> <td>During the site visit, it was noted that three fire alarm were not identified as fire alarms in the folding, warping and sizing sections</td> </tr> <tr> <td>Follow up method</td> <td> <input type="checkbox"/> Follow up audit <input checked="" type="checkbox"/> Desktop audit </td> </tr> <tr> <td>Timescale</td> <td> <input type="checkbox"/> Immediate <input checked="" type="checkbox"/> 30 days <input type="checkbox"/> 60 days <input type="checkbox"/> 90 days <input type="checkbox"/> 120 days <input type="checkbox"/> 180 days <input type="checkbox"/> 365 days <input type="checkbox"/> Other </td> </tr> <tr> <td>Actions</td> <td>It is recommended that the facility should identify the fire alarm.</td> </tr> </tbody> </table>		Non-Compliance		Status	OPEN	Reference	e8d0fbf0-5c87-4795-84c5-d80ad7abfd65	Clause	3 - Working Conditions are Safe and Hygienic	Issue Title	197 - Inadequate signage / instructions of fire alarm	Subcategory	Fire Safety - Fire alarms & Evacuation	New or carried over?	<input checked="" type="checkbox"/> New <input type="checkbox"/> Carried Over	Root cause	<input type="checkbox"/> Training <input checked="" type="checkbox"/> System <input type="checkbox"/> Costs <input type="checkbox"/> Lack of workers <input type="checkbox"/> Other	Root cause - Other		ETI code	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.	Explanation to the non compliance	During the site visit, it was noted that three fire alarm were not identified as fire alarms in the folding, warping and sizing sections	Follow up method	<input type="checkbox"/> Follow up audit <input checked="" type="checkbox"/> Desktop audit	Timescale	<input type="checkbox"/> Immediate <input checked="" type="checkbox"/> 30 days <input type="checkbox"/> 60 days <input type="checkbox"/> 90 days <input type="checkbox"/> 120 days <input type="checkbox"/> 180 days <input type="checkbox"/> 365 days <input type="checkbox"/> Other	Actions	It is recommended that the facility should identify the fire alarm.	 <p><u>Non-conformance - Fire Alarm not identified.jpeg</u></p>
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Non-Compliance		Evidence
[Back to findings summary]		
Non-Compliance		
Status	OPEN	
Reference	435196aa-3687-41c3-a4b5-c2941d11e283	
Clause	3 - Working Conditions are Safe and Hygienic	
Issue Title	184 - Fire fighting equipment is locked or otherwise not accessible at all times	
Subcategory	Fire Safety - Fire Fighting Equipment	
New or carried over?	<input checked="" type="checkbox"/> New <input type="checkbox"/> Carried Over	
Root cause	<input checked="" type="checkbox"/> Training <input type="checkbox"/> System <input type="checkbox"/> Costs <input type="checkbox"/> Lack of workers <input type="checkbox"/> Other	
Root cause - Other		
ETI code	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.	
Explanation to the non compliance	During the site visit, it was noted the one fire extinguisher was blocked with pile of yarn bags in the folding area near the warping machine.	
Follow up method	<input type="checkbox"/> Follow up audit <input checked="" type="checkbox"/> Desktop audit	
Timescale	<input type="checkbox"/> Immediate <input checked="" type="checkbox"/> 30 days <input type="checkbox"/> 60 days <input type="checkbox"/> 90 days <input type="checkbox"/> 120 days <input type="checkbox"/> 180 days <input type="checkbox"/> 365 days <input type="checkbox"/> Other	
Actions	It is recommended that the facility should ensure that fire extinguishers are unobstructed all the time.	
		 <p><u>Non-conformance - Fire Extinguisher Blocked.jpeg</u></p>

Non-Compliance		Evidence
[Back to findings summary]		
Non-Compliance		
Status	OPEN	
Reference	e6089c40-3c0a-482f-942c-645da4f2e3af	
Clause	3 - Working Conditions are Safe and Hygienic	
Issue Title	227 - Unmarked / incorrect labels / signage / instructions for electrics	
Subcategory	Electrical risk	
New or carried over?	<input checked="" type="checkbox"/> New <input type="checkbox"/> Carried Over	
Root cause	<input type="checkbox"/> Training <input checked="" type="checkbox"/> System <input type="checkbox"/> Costs <input type="checkbox"/> Lack of workers <input type="checkbox"/> Other	
Root cause - Other		
ETI code	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.	
Explanation to the non compliance	During the site visit, it was noted that two of electrical DBs were without dangerous signs, one in the folding area & other in sizing area.	
Follow up method	<input type="checkbox"/> Follow up audit <input checked="" type="checkbox"/> Desktop audit	
Timescale	<input type="checkbox"/> Immediate <input type="checkbox"/> 30 days <input checked="" type="checkbox"/> 60 days <input type="checkbox"/> 90 days <input type="checkbox"/> 120 days <input type="checkbox"/> 180 days <input type="checkbox"/> 365 days <input type="checkbox"/> Other	
Actions	It is recommended that the facility should paste the dangerous signs on electrical DBs for safety of workers.	
		 <p><u>Non-conformance - Electrical DB without danger sign 2.jpeg</u></p>  <p><u>Non-conformance - Electrical DB without danger sign 1.jpeg</u></p>

Non-Compliance		Evidence
[Back to findings summary]		
Non-Compliance		
Status	OPEN	
Reference	496e7bbf-fc4a-4352-aeba-1bf38a553bf9	
Clause	3 - Working Conditions are Safe and Hygienic	
Issue Title	264 - Machines lack appropriate safety guards (e.g. eye or needle guards on sewing machines, belt / hand guards on other machines)	
Subcategory	Machinery	
New or carried over?	<input checked="" type="checkbox"/> New <input type="checkbox"/> Carried Over	
Root cause	<input type="checkbox"/> Training <input checked="" type="checkbox"/> System <input checked="" type="checkbox"/> Costs <input type="checkbox"/> Lack of workers <input type="checkbox"/> Other	
Root cause - Other		
Local law issue	In Accordance with: Factory Act 1934, Section 26, 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.	
ETI code	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.	
Explanation to the non compliance	It was noted during facility tour that warping machines moving parts were without belt covers.	
Follow up method	<input type="checkbox"/> Follow up audit <input checked="" type="checkbox"/> Desktop audit	
Timescale	<input type="checkbox"/> Immediate <input checked="" type="checkbox"/> 30 days <input type="checkbox"/> 60 days <input type="checkbox"/> 90 days <input type="checkbox"/> 120 days <input type="checkbox"/> 180 days <input type="checkbox"/> 365 days <input type="checkbox"/> Other	
Actions	It is recommended that the facility should install the belt covers to save employees from incidents.	
		 <u>Non-conformance - Warping machine without belt cover.jpeg</u>

4 - Child Labour Shall Not Be Used
[Summary of Findings]

4: Compliance Requirements

- 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:

•As supporting documentation, copies of identity documents on the personal files are required to be submitted by all applicants at hiring process by the facility; such documents are:

- 1.National identity card
- 2.School certificate
- 3.Birth certificate

- All employees are found to be above the age of 20 years old.
- No recruitment for child labour as per company policy and local law.
- No child found to be working in the facility.

Evidence examined:

- Policy on child labour is reviewed by the auditor.
- Personal Files
- National identity card
- School certificate
- Birth certificate
- Job application

Any other comments:

None

Legal age of employment:	15
Age of youngest worker found:	20
Are there children present on the work floor but not working at the time of audit?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
Percentage of under 18's at this site (of total workers)	0.0%
Are workers under 18 subject to hazardous work assignments?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No Please give details: No Child or young workers found.

5 - Living Wages are Paid
[Summary of Findings]

5: Compliance Requirements

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

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

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

Current Systems and Evidence Examined

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

Current Systems:

- The facility provided hours and wages records from Feb 2023 - Jan 2024. 10 employees were selected for checking time records and payments records for the Month of Jan 2024 (Current Month), October 2023 (Random Month) and Feb 2023 (Random Month)
- The local legal minimum wage was Rs.32,000/month and Rs. 1230.76 per day. Average monthly paid salary was PKR 38000 per month.
- Employees are also provided pay slips and payment is made timely.
- All employees' wages were calculated by monthly rate and by daily wage. The minimum wage paid by the facility was Rs.32000 per month according to the provided wage records,
- Time records are properly maintained for all employees.
- Employee old age benefits contribution and social security contribution of all employees are checked from for last three months.
- Benefits of paid, annual leaves, sick leaves and casual leaves were given to employees as confirmed by documented records and employees' interviews.
- All employees were paid on or before 10th of each month by bank transfer and through cash.
- No overtime working was found in the facility, but facility has established a policy to pay overtime at double than the normal wage rate.
- Facility is paying gratuity to the workers at time of their resignation or end of their services. For verification 03 full and final settlement cases reviewed for verification.

Evidence examined:

- Document (wages and attendance records) reviewed
- Worker interview
- Management interview
- Local and national laws
- Wages and benefits policy
- Local legal minimum wage documents
- Payroll records
- Leave records
- Labour contracts for all employees
- Resignation records
- Hours records to check hourly rates and any overtime premiums

Any other comments:

None

Summary Information

Criteria	Local Law	Actual at the Site	Is this part of a Collective Bargaining Agreement?

Standard/Contracted work hours: (Maximum legal and actual required working hours excluding overtime, please state if possible per day, week, and month)	Legal Maximum Per Day: 8.0 Per Week: 48.0 Per Month: null	Actual Per Day: 8.0 Per Week: 48.0 Per Month: 208.0	NO
Overtime hours: (Maximum legal and actual overtime hours, please state if possible per day, week, and month)	Legal Maximum Per Day: null Per Week: 12.0 Per Month: null	Actual Per Day: 2.0 Per Week: 12.0 Per Month: 40.0	NO
Wage for standard/contracted hours: (Minimum legal and actual minimum wage at site, please state if possible per hr, day, week, and month)	Legal Maximum Per Day: 1230.76 Per Week: null Per Month: 32000	Actual Per Day: 1230.76 Per Week: 7384.61 Per Month: 32000	NO
Overtime wage: (Minimum legal and actual minimum overtime wage at site, please state if possible per hr, day, week, and month)	Legal Maximum Per Day: null Per Week: 3692.28 Per Month: null	Actual Per Day: 308 Per Week: 3696 Per Month: 12320	NO
Wages Analysis:			
Were accurate records shown at the first request?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No		
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)	10 samples from Jan 2024 (Current Month) 10 samples from Oct 2023 (Random Month) 10 samples from Feb 2023 (Random Month)		
Are there different legal minimum wage grades? If Yes, please specify all.	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No Skilled – Semi-skilled & Un-skilled		
If there are different legal minimum grades, are all workers graded and paid correctly?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> Not Applicable Please give details:		
For the lowest paid production workers, are wages paid for standard/contracted hours (excluding overtime) below or above the legal minimum?	<input type="checkbox"/> Below legal min <input checked="" type="checkbox"/> Meet <input type="checkbox"/> Above		
Lowest actual wages found: Note: full time employees and please state hour / week / month etc.	PKR 153.85 / hour, PKR 1230.76 / day, PKR 7384.61 / week, PKR 32,000 / Month		
Please indicate the breakdown of workforce per earnings	0.0% of workforce earning under minimum wage 100.0% of workforce earning minimum wage 0.0% of workforce earning above minimum wage		
Bonus Scheme found: Please specify details:	Bonus Scheme found:Factory has paid the yearly bonus to its employees. Note: type of employee (e.g. full time, temp, etc.) and please state which units e.g. /hour /week /month etc.		
What deductions are required by law e.g. social insurance? Please state all types:	Income tax, EOBI		
Have these deductions been made?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No		
Please list all deductions that have been made.	Employer deduct the share of EOBI from his employees.		

Please list all deductions that have not been made.	1.Punjab Employee's Social Security Institution 2.Group Life Insurance
Were appropriate records available to verify hours of work and wages?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
Were any inconsistencies found? (if yes describe nature)	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
Do records reflect all time worked? (For instance, are workers asked to attend meetings before or after work but not paid for their time)	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No Please give details: All time worked is being recorded and records provided for review.
Is there a defined living wage: This is not normally minimum legal wage. If answered yes, please state amount and source of info: Please see SMETA Best Practice Guidance and Measurement Criteria.	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No Please give details:
If yes, what was the calculation method used.	<input type="checkbox"/> ISEAL/Anker Benchmarks <input type="checkbox"/> Asia Floor Wage <input type="checkbox"/> Figures provided by Unions <input type="checkbox"/> Living Wage Foundation UK <input type="checkbox"/> Fair Wear Wage Ladder <input type="checkbox"/> Fairtrade Foundation <input type="checkbox"/> Other - please give details:
Are there periodic reviews of wages? If Yes give details (include whether there is consideration to basic needs of workers plus discretionary income).	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No Please give details: Minimum wage is being reviewed annually by government during Financial Budget.
Are workers paid in a timely manner in line with local law?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
Is there evidence that equal rates are being paid for equal work:	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No Please give details: All the unskilled males are recruited for the same wage on same job and then increments are based on their skill, performance, and efficiency, annual increment record of sampled workers reviewed.
How are workers paid:	<input checked="" type="checkbox"/> Cash <input type="checkbox"/> Cheque <input type="checkbox"/> Bank Transfer <input type="checkbox"/> Other

6 - Working Hours are not Excessive
[Summary of Findings]

6: Compliance Requirements

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:

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:

- Through employees' interview, overtime is voluntary.
- The facility provided hours and wages records of Jan 2024 (Current Month), October 2023 (Random Month) and Feb 2023 (Random Month).
- 10 employees were selected for checking time records and payments records for the Months of Jan 2024 (Current Month), October 2023 (Random Month) and Feb 2023 (Random Month).
- Manual Attendance is used for time recording of all employees. According to time records and employees interview basic working hours were 8 hours per day.
- 1 day (Off on Sunday) is provided to all employees.

Evidence examined:

- 10 Employees' interviews
- Management interview
- Local and national laws
- Facility policy on working hours - Procedure (No expiry date)
- Timecards of 10 sample workers.
- Employees contracts of 10 workers.
- Dispatch and receiving records to cross check hours.

Any other comments:

None

Working hours' analysis

Systems & Processes

What timekeeping systems are used?	Card scanning system is used for time recording of employees
Is sample size same as in wages section?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No Please give details:

Are standard/contracted working hours defined in all contracts/employment agreements? (If no, please give details including % and which type of workers do NOT have standard hours defined in contracts/employment agreements.)	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
Are there any other types of contracts/employment agreements used?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
Do any standard/contracted working hours defined in contracts/employment agreements exceed 48 hours per week? (If yes, please detail hours, %, types of workers affected and frequency.)	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
Are workers provided with at least 1 day off in every 7-day-period, or 2 in 14-day-period?	<input checked="" type="checkbox"/> 1 in 7 days <input type="checkbox"/> 2 in 14 days <input type="checkbox"/> No (please explain)
Is this allowed by local law?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
Maximum number of days worked without a day off (in sample):	6
Standard/Contracted Hours worked	
Were standard working hours over 48 hours per week found? (If yes, % of workers & frequency)	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No % of workers: null% Frequency:
Any local waivers/local law or permissions which allow averaging/annualised hours for this site? (If yes, please give details.)	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
Overtime Hours worked	
Actual overtime hours worked in sample (State per day/week/month)	Jan 2024: OT Observed (02 Hours per day/12 hours per week/40 hours per month Oct 2023: OT Observed (02 Hours per day/12 hours per week/38 hours per month Feb 2023: OT Observed (02 Hours per day/12 hours per week/39 hours per month
Combined hours (standard or contracted + overtime hours = total) over 60 found?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No Please give details: Combined working hours were within legal requirements.
Approximate percentage of total workers on highest overtime hours:	35.0%
Is overtime voluntary? (Please detail evidence e.g. Wording of contract / employment agreement / handbook / worker interviews / refusal arrangements)	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> Conflicting Information Please give details: Worker's handbook, OT policies and procedures state that OT is voluntary.
Overtime premium	

<p>Are the correct legal overtime premiums paid? (Please give details of normal day overtime premium as a % of standard wages)</p>	<p><input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A – there is no legal requirement to OT premium</p> <p>Please give details:</p> <p>No rest day over time work was noted during the audit. However, factory have policy to pay the overtime premium as required by law, in case of any urgent work, that is 200 % of the normal wage if overtime during the weekdays and res days and 300 % during gazetted holidays.</p>
<p>Is overtime paid at a premium?</p>	<p><input checked="" type="checkbox"/> Yes <input type="checkbox"/> No</p> <p>200% of normal hour wage rate paid to workers for overtime working. No overtime on rest day was found. Legal overtime premium for weekdays: 200% Legal overtime premium for rest days: 200% Legal overtime premium for holidays: 300%</p>
<p>If the site pays less than 125% OT premium and this is allowed under local law, are there other considerations? Please complete the boxes where relevant.</p>	<p><input checked="" type="checkbox"/> No <input type="checkbox"/> Consolidated pay <input type="checkbox"/> Collective Bargaining agreements</p> <p><input type="checkbox"/> Other</p>
<p>Please give details</p>	<p>It is legal requirement to pay 200% of normal wage for overtime hours work and factory pays 200% for all employee</p>
<p>If more than 60 total hours per week and this is legally allowed, are there other considerations? Please complete the boxes where relevant. (Please explain any checked boxes above e.g. detail of consolidated pay / CBA or Other)</p>	<p><input checked="" type="checkbox"/> Overtime is voluntary <input type="checkbox"/> Onsite Collective bargaining allows 60+ hours/week is voluntary <input type="checkbox"/> Safeguards are in place to protect worker's health and safety</p> <p><input type="checkbox"/> Site can demonstrate exceptional circumstances <input type="checkbox"/> Other reasons (please specify)</p>
<p>Please explain any checked boxes above e.g. detail of consolidated pay / CBA or other</p>	<p>The factory has followed the local law regarding the working hour limit. As per the document reviewed, the maximum working hours per week were not exceeding 60 hours as per the ETI Base code. Per document review and workers interview, overtime was voluntary by the workers.</p>
<p>Is there evidence that overtime hours are being used for extended periods to make up for labour shortages or increased order volumes?</p>	<p><input type="checkbox"/> Yes <input checked="" type="checkbox"/> No</p>
<p>If sufficient workers cannot be hired, are new working time arrangements explored to ensure that overtime is the exception rather than the rule?</p>	<p><input checked="" type="checkbox"/> Yes <input type="checkbox"/> No</p>

7 - No Discrimination is Practiced
[Summary of Findings]

7: Compliance Requirements

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:

- Based on the employees' interview, none of the selected employees feel discriminated or experienced any discrimination practices since they are employed. They are treated equally.
- Based on the management discussion and policy review, facility believes in equal opportunity for all based on merit and ability to carry out given responsibilities.
- Based on the employees' interview and policy review, the facility does not discriminate in work practices based on gender, age, disability, race, cultural or religion beliefs, political affiliation, sexual orientation, or other personal characteristics.
- Based on the document review of payroll records, employees with the same job are paid the same irrespective of gender, age, or other issues.
- Based on the employees' interview, employees are given reasonable time off to pray.

Evidence examined:

- Policy on Prohibition of Discrimination and procedure
- Payroll record, Hiring and termination procedure
- Leave Application Record
- Employee Handbook
- Attendance records
- Termination records
- Training records

Any other comments:

None

Gender breakdown of Management + Supervisors (Include as one combined group)	Male: 100.0%	Female: 0.0%
Number of women who are in skilled or technical roles (e.g. where specific qualifications are needed i.e. machine engineer / laboratory analyst)	There was no female in the facility.	
Is there any evidence of discrimination based on race, caste, national origin, religion, age, disability, gender, marital status, sexual orientation, union membership or political affiliation?	<input type="checkbox"/> Hiring <input type="checkbox"/> Promotion	<input type="checkbox"/> Compensation <input type="checkbox"/> Termination or retirement <input checked="" type="checkbox"/> No evidence of discrimination found
Please give details	No evidence of discrimination found in the facility	
Professional Development		
What type of training and development are available for workers?	Fire fighter training, first aid training and skill development training	

Are HR decisions e.g. promotion, training, compensation based on objective, transparent criteria? (If no, please provide details)

Yes No

8 - Regular Employment Is Provided
[Summary of Findings]

8: Compliance Requirements

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

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

Additional Elements: Responsible Recruitment

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

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

8.5 Employment agencies must only supply workers registered with them.

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

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

Current Systems and Evidence Examined

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

Current Systems:

- During audit, it was noted that employment in the factory is based on recognized employment relationship established through national labour law & regulations.
- No casual and seasonal were found hired in the factory during document review, facility visit and workers interview.
- Recruitment policy and employee contract and terms and condition reviewed during audit.

Evidence examined:

- oHiring policy & procedure
- oWorker interviews
- oPersonal file review
- oPayroll & time records of contractor workers

Any other comments:

None

Responsible Recruitment

All Workers

Were all workers presented with terms of employment at the time of recruitment, did they understand them and are they same as current conditions?

- Terms & Conditions presented Understood by workers
- Same as actual conditions

Did workers pay any fees, taxes, deposits or bonds for the purpose of recruitment/placement? (If yes, please describe details and specific category(ies) of workers affected)

- Yes No

Migrant Workers

Type of work undertaken by migrant workers:	Not Applicable
Please give details about recruitment agencies for migrant workers:	Number of (in country) recruitment agencies used: 0 Number of (outside of local country) recruitment agencies used: 0
Are migrant workers' voluntary deductions (such as for remittances) confirmed in writing by the worker and is evidence of the transaction supplied by the facility to the worker?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No Please give details: Not Applicable
Is there any observation on this finding?	Not Applicable
Are any migrant workers in skilled, technical or management roles? (This should include all migrant workers including permanent workers, temporary and/or seasonal workers)	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
Non-employee workers	
Recruitment Fees	
Are there any fees?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
Agency Workers (if applicable) (Workers sourced from a local agent who are not directly paid by the site, but paid by the agency. Usually the agencies are paid by the site and the wages of the individual workers are paid by the agency.)	
Number of agencies used (average):	0
Please provide the names of agencies if applicable	Not Applicable
Were agency workers' age / pay / hours included within the scope of this audit?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
Were sufficient documents for agency workers available for review?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
Is there a legal contract agreement with all agencies?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No Please give details: Not Applicable
Does the site have a system for checking labour standards of agencies?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No Please give details: Not Applicable
Contractors (Contractors in this context are generally individuals who supply several workers to a site. Usually the contractors are paid by the site and the wages of the workers are paid by the contractor. Common terms include, gang bosses, labor provider.)	
Any contractors on site?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No Please give details: Not Applicable
Do all contractor workers understand their terms of employment?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No Please give details: Not Applicable

8A - Sub-Contracting and Homeworking
[Summary of Findings]

8A: Compliance Requirements

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

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

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 is not subcontracting any of its process.

Evidence examined:

Site tour (Calculation on total production and estimated capacity)
Materials in/out records
Management interview
Worker interview

Any other comments:

None

Summary of sub-contracting – if applicable

Is there any sub-contracting at this site? Yes No

Summary of homeworking – if applicable

Is homeworking used at this site? Yes No

9 - No Harsh or Inhumane Treatment is Allowed [Summary of Findings]
<p>9: Compliance Requirements</p> <p>9.1 Physical abuse or discipline, the threat of physical abuse, sexual or other harassment and verbal abuse or other forms of intimidation shall be prohibited.</p> <p>9.2 companies should provide access to a confidential grievance mechanism for all workers</p>

Current Systems and Evidence Examined
<p><i>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.</i></p>
<p>Current Systems:</p> <ul style="list-style-type: none"> •The facility has established anti-harsh or inhumane treatment policy and procedure. •The policy states that physical abuse or discipline, the threat of physical abuse, sexual or other harassment and verbal abuse or other forms of intimidation shall be prohibited. •Through the facility management and employees' interview, it is noted that no physical abuse or discipline happened in the facility. •The disciplinary procedure of the facility is verbal warning, written warning and disciplinary action according to law.
<p>Evidence examined:</p> <p>Policy on No Harsh or Inhumane Treatment - Procedure Manual (No expiry date)</p> <p>Employees Interviews</p> <p>Internal grievance procedure documentation</p> <p>Training records</p>
<p>Any other comments:</p> <p>None</p>

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 3rd party?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No Please give details: Complaint and suggestion boxes are mounted at different locations for grievance reporting.
If yes, are workers aware of these channels and have access? Please give details.	Purpose of complaint and suggestion boxes is known to all workers.
If yes, what type of mechanism is used e.g. hotline, whistle blowing mechanism,comment box etc. Please give details.	Complaints & Suggestion Boxes
Which of the following groups is there a grievance mechanism in place for?	<input checked="" type="checkbox"/> Worker <input type="checkbox"/> Communities <input checked="" type="checkbox"/> Suppliers <input type="checkbox"/> Other
Please provide grievance mechanism details	Facility has developed grievance mechanism for workers and suppliers.
Are there any open disputes?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No Please give details:

<p>Does the site encourage its business partners (e.g. suppliers) to provide individuals and communities with access to effective grievance mechanisms (e.g. helplines or whistle blowing mechanism)</p>	<p><input checked="" type="checkbox"/> Yes <input type="checkbox"/> No Please give details:</p>
<p>Is there a published and transparent disciplinary procedure?</p>	<p><input checked="" type="checkbox"/> Yes <input type="checkbox"/> No Please give details:</p>
<p>If yes, are workers aware of these the disciplinary procedure?</p>	<p><input checked="" type="checkbox"/> Yes <input type="checkbox"/> No Please give details:</p>
<p>Does the disciplinary procedure allow for deductions from wages (fines) for disciplinary purposes (see wages section)?</p>	<p><input type="checkbox"/> Yes <input checked="" type="checkbox"/> No Please give details:</p>

10A - Entitlement to Work and Immigration
[Summary of Findings]

10A: Compliance Requirements

10.A.1 Only workers with a legal right to work shall be employed or used by the supplier.
10.A.2 All workers, including employment agency staff, must be validated by the supplier for their legal right to work by reviewing original documentation.

Current Systems and Evidence Examined

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

Current Systems:

No migrant worker is hired by the facility.

Evidence examined:

Policy and procedure for employment in the factory
List of workers
Facility visit observed workers actually working on the floor
Worker and management interviews conducted

Any other comments:

None

10B2 - Environment 2–Pillar
[Summary of Findings]

10B2: Compliance Requirements

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

10.B2.2 The supplier should be aware of and comply with their end clients' environmental requirements.

Note for auditors and readers, this is not a full environmental assessment but a check on basic systems and management approach.

Current Systems and Evidence Examined

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

Current Systems:

- The facility policy on environment shows management commitment to comply with environmental rules and regulations of the country.
- The facility is aware of environmental requirements.
- Facility has obtained an environmental approval from local government.

Evidence examined:

- Facility tour
- Environment Policy & procedures.
- Management Interview

Any other comments:

None

Attachments



Discrimination Policy Displayed.jpeg



Folding.jpeg



Generator.jpeg



Weaving.jpeg



Complaint Box.jpeg



Facility Name.jpeg



Fire Extinguishers.jpeg



ETI Code Displayed.jpeg



Entry Gate.jpeg



First Aid Box.jpeg



Evacuation Map.jpeg



Parking Area.jpeg



Rules & Regulations.jpeg



Facility Gate.jpeg



Restrooms.jpeg



Beams Storage.jpeg



Fabric Storage.jpeg



Warping 1.jpeg



Drinking Water Point.jpeg



Assembly Point.jpeg



Card Scanner.jpeg



Fire Point.jpeg



Sizing.jpeg



Waste Area.jpeg



Boiler.jpeg



Yarn Storage.jpeg



Warping 2.jpeg



Non-conformance - Fire Alarm not identified.jpeg



Non-conformance - Chemical Drum without labelling.jpeg



Non-conformance - Warming machine without belt cover.jpeg



Non-conformance - Oil Drums without labelling.jpeg



Non-conformance - Chemical drum without secondary containment.jpeg



Non-conformance - Electrical DB without danger sign 1.jpeg



Non-conformance - Empty First Aid Box.jpeg



Non-conformance - Electrical DB without danger sign 2.jpeg



Non-conformance - Fire Extinguisher Blocked.jpeg



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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:

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