



Sedex Members Ethical Trade Audit Report

Version 6.1



Audit Details				
Sedex Company Reference: <i>(only available on Sedex System)</i>	ZC408024942	Sedex Site Reference: <i>(only available on Sedex System)</i>	ZS408037053	
Business name (Company name):	Baraka Textiles			
Site name:	Baraka Textiles			
Site address:	Plot # 72 Sec 15 Korangi Industrial Area Karachi Karachi 75000 PK	Country:	PK	
Site contact and job title:	Mr. Zia Khan / General Manager			
Site phone:	+922135120991-2	Site e-mail:	zia@bt.net.pk	
SMETA Audit Pillars:	<input checked="" type="checkbox"/> Labour Standards	<input checked="" type="checkbox"/> Health and Safety (plus Environment 2-Pillar)	<input checked="" type="checkbox"/> Environment 4-pillar	<input checked="" type="checkbox"/> Business Ethics
Date of Audit:	2024-05-09			

Audit Company Name:
International Associates Limited

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:	Aarish Aleem	APSCA Number:	32200549
Additional Auditors:	Syed Khalid Masood		21701653
	Arshad Ali		21705381
Date of declaration:	2024-05-09		

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:	Mr. Zia Khan
Title:	General Manager
Date of declaration:	2024-05-09
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.A.1		1	0	0	NC - ZAF600480559
0B - Management systems and code implementation	0.B.3		1	0	0	NC - ZAF600480560
1 - Freely chosen employment			0	0	0	
2 - Freedom of association and right to collective bargaining are respected			0	0	0	
3 - Working conditions are safe and hygienic	3.1 3.1 3.1 3.1 3.3	§1 §2 §3 §4	5	0	0	NC - ZAF600480554 NC - ZAF600480555 NC - ZAF600480556 NC - ZAF600480557 NC - ZAF600480558
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
§1	Sindh Factories Rule 1975 section 94(1); in every factory there shall be maintained in good working condition First aid appliances as specified in Appendix I. The First aid Appliances shall be placed under the charges of responsible person, who knows to use them and shall be kept in readily accessible place within the factory. The work First Aid shall be clearly painted on the box.
§2	Rule 12 (c) of the Hazardous Substances Rules, 2003: Protective clothing and equipment comprising helmet or cloth cap, safety spectacles or goggles, respirators or masks, rubber or plastic gloves and work boots, shall be available for all workers who may be exposed to hazardous substance, and no workers shall be permitted on job unless and until he is wearing such protective clothing and equipment.

§3	Rule 55 of The Sind Factories Rules, 1975: The following parts of transmission machinery shall be securely fenced if in motion and within reach of workers:- (i) All shafts, couplings, collers, clutches, toothed wheels, pulley driving straps, chains and ropes, except such as are in the opinion of the Inspector by construction or position equally safe to every person employed in the factory as they should be if securely fenced or guarded.
§4	Rule 42(c) of Sind Factories Rules, 1975: Soap and towels shall be provided and kept available for workers free of cost at every wash basin and regular arrangements shall be made for replacement of used towels with clean towels daily.

Site Details

Site Details			
Company Name	Baraka Textiles		
Site Name	Baraka Textiles		
GPS location (if available)	GPS Address:	Plot # 72, Sector 15, Korangi Industrial Area., Karachi, 75000	
	Coordinates:	Latitude: 24.849309 / N 24° 50' 57.513" Longitude: 67.107536 / E 67° 6' 27.131"	
Applicable business and other legally required licence numbers and documents, for example, business license number, liability insurance, any other required government inspections	NTN Registration # 3552915-6; Labor directorate Registration # FA/E/CMI-24(R-2132)2017. Sindh Environmental Protection Agency EMP NOC Ref # ROK/KHI/098/2023.		
Products/Activities at site, for example, garment manufacture, electricals, toys, grower, cutting, sewing, packing etc	Knitted Apparels. Processes, Cutting, Stitching, Checking, Packing, Pressing, Finished goods warehouse & Printing.		
Site description: (Include size, location, and age of site. Also, include structure and number of buildings)	Baraka Textile is manufacturer and Exporter of Knitted Apparel, located on Plot # 72, Sector 15, Korangi Industrial Area., Karachi, 75000- Pakistan. The factory was established in 2017 , with total Covered Area is 41139 Sq. Ft. Factory consists of 1 building blocks, with Ground + Mezzanine + 4 floors + basement. Facility operates in 1 shifts i.e. 9:00 to 18:00 with 1 hour lunch break in between the shift. Facility has 2 access gates with security guards posted on both gates. The entrance and exit gates are separate. Workers have separate entry / exit points.		
Structure and number of buildings	Building Name:	A	
	Floor	Description	Remark
	Basement	Raw Material warehouse, Chemical Store	Nil
	Ground	Paper Printing, Finished Fabric Store	Nil
	Mezzanine Floor	Office	Nil
	First Floor	Cutting , Stitching, Pressing, Finishing and Packing	Nil
	Second Floor	Digital Printing and Heat Transfer Printing	Nil
	Third Floor	Cutting , Stitching, Pressing, Finishing and Packing	Nil
	Fourth Floor	Cutting , Stitching, Pressing, Finishing and Packing	Nil

Visible structural integrity issues (large cracks) observed?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No Please give details: No visible cracks found during audit.
Does the site have a structural engineer evaluation?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No Please give details: Factory has approved building lay out plan and stability certificate.
Site function	<input type="checkbox"/> Agent <input checked="" type="checkbox"/> Factory Processing/Manufacturer <input type="checkbox"/> Finished Product Supplier <input type="checkbox"/> Grower <input type="checkbox"/> Homeworker <input type="checkbox"/> Labour Provider <input type="checkbox"/> Pack house <input type="checkbox"/> Primary Producer <input type="checkbox"/> Service Provider <input type="checkbox"/> Sub-contractor
Months of peak season	January to December
Process overview	The main product manufactured by the factory is Knitted Garment. Main production processes of factory are Cutting , Stitching , Finishing and Packing and Printing. The main equipment the company has in its use are Sewing machines, Press Machine, Printing Machines..
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:	Worker Management Council
Is there any night production work at the site?	<input type="checkbox"/> Yes <input checked="" 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: No accommodation provided to workers

Audit Parameters		
Time in and time out	Day 1	
	In	09:35
	Out	17:05
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	Mr. Zia Khan / General Manager	
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 Union is applicable hence there is no union representative.		
<i>Reason for absence during the audit</i>	No Union is applicable hence there is no union representative.		
<i>Reason for absence at the closing meeting</i>	No Union is applicable hence there is no union representative.		

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	149	0	0	0	0	0	0	149
Worker numbers - female	0	0	0	0	0	0	0	0
Total	149	0	0	0	0	0	0	149
Number of Workers interviewed - male	26	0	0	0	0	0	0	26
Number of Workers interviewed - female	0	0	0	0	0	0	0	0
Total - interviewed sample size	26	0	0	0	0	0	0	26

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 checked="" type="checkbox"/> Yes <input type="checkbox"/> No Please give details:
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: Nil

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 type="checkbox"/> Yes <input checked="" type="checkbox"/> No
Number of group interviews:	4 group of 5 workers
Number of individual interviews:	Male: 6 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 specific complaint
What did the workers like the most about working at this site?	Management Behavior and Compensation
Any additional comment(s) regarding interviews:	Nil
Attitude of workers to hours worked:	No specific comment
Is there any worker survey information available?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No Please give details:

<p>Attitude of workers:</p> <p>26 workers were selected for interview; they were interviewed as 4 group of 5 workers and the balance of 6 workers were interviewed individually. The workers were assured of confidentiality, and they spoke freely of their views of the factory. All workers said they were satisfied with their employment at the factory and that they were satisfied with the current wages which in their view were in line with wages in the locality. They felt free to leave this employer and understood the notice period required. They had good relationships with their supervisors and managers who treated them with respect. They were able to make suggestions to their supervisors and team leaders and sometimes they had seen these suggestions used. They felt able to complain directly to their supervisors but also felt free to give their general concerns, such as Housekeeping / health and safety to their worker representative who would take it to the worker committee. 1. For child labour issue, all interviewees confirmed that the factory checks their National ID cards to verify their ages during recruitment and only retain their ID cards' copies and the person below 18 years of age were not allowed to work in the factory. All workers interviewed were above 18 years old. 2. For forced labour issue, the workers confirmed that no "deposit" or logging of original documents is required for the employment in the factory. 3. For discrimination issue, the workers' wages were paid only based on their working hours & work ability. All interviewees confirmed that no discrimination occurred in the factory. 4. For discipline practice issues, the interviewees said they would be warned if they broke the factory rules. No fine or verbal abuse is used as means of disciplinary practices in the factory. 5. For safety and health issues, the workers were satisfied with the working condition and the factory provided Orientation training to new workers and visitors. Regular safety trainings are conducted for all workers. Fire drills were conducted in the factory, which included the evacuation exercise and the use of the fire extinguishing facilities. 6. For working hour issue, all interviewees said their normal working hours were 8 hours per day and 48 hours per Week. 7. For wages issue, the interviewed workers said their wages were paid monthly before 10th of each calendar month; all interviewed workers confirmed that factory double the rate of normal wage for overtime working. Bonus was paid to the workers. 8. For treatment issue, the workers confirmed no harsh or inhumane treatment occurred and the management was kind to all employees. 9. They could complaint to the management staff directly or through Union representatives or by suggestion boxes or Employee Self-Service.</p>
<p>Attitude of worker's committee/union reps:</p> <p>Employees can select their committee representatives without involving management. Workers have rights to convey their suggestions. The members of the workers' council do not have any complaints of discrimination among the other employees. They can discuss the matters without having restrictions from management and meetings were conducted in an open manner</p>
<p>Attitude of managers:</p> <p>Facility management was found very co-operative and positive towards audit process and showed commitment to fulfil all pointed out non-conformances on immediate basis.</p>

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:

- Factory has defined and explicitly communicated the United Nation Guiding principles on Business and human Right Implementing the United Nations "Protect, Respect and Remedy" Framework in the factory and through its supply chain.
- Factory has defined policy and procedure for compliance with core Human right principles and local laws like child labour, Force Labour, Freedom of association, Payment of wages and decent work environment.
- Mr. Zia Khan – GM Factory is responsible for compliance with local laws and Human rights issues in the factory
- Facility management was found aware of local law requirements concerning, Human Rights etc. moreover facility obtains law updates from labour department
- The factory has taken written commitment from all its suppliers and contractors to comply with local laws and core Human Rights principles.

Evidence examined:

- Law updates.
- Job description of compliance manager
- Internal audit reports
- Employee handbook

Any other comments:

Nil

Policy statement that expresses commitment to respect human rights?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No Please give details: Factory has policy that expresses commitment to respect human rights. Factory has displayed human right policies that is communicated to all workers.
Are the policies included in workers' manuals?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No Please give details: Yes, human right policy found included in workers manual.

Does the business have a designated person responsible for implementing standards concerning Human Rights?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No Please give details: Name: Mr. Ubaid ur Rehman Job title: Manager HR
Does the business have a transparent system in place for confidentially reporting, and dealing with human rights impacts without fear of reprisals towards the reporter?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No Please give details: Factory has defined policy and procedure for compliance with core Human right principles and local laws like child labour, Forced Labour, Freedom of association, Payment of wages and decent work environment.
Does the grievance mechanism meet UNGP expectations? (Legitimate, Accessible, Predictable, Equitable, Transparent, Rights-compatible, a source of continuous learning and based on stakeholder engagement)	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
Does the business demonstrate effective data privacy procedures for workers' information, which is implemented?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No Please give details: All employee information and personnel files are kept locked away in the human resources office and only viewed by the HR manager and his team.
Measuring Workplace Impact	
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))	Last year 2.0% This year 2.5%
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])	2.5%
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)	Last year 4.0% This year 3.0%
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)	3.0%
Are accidents recorded?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No Please give details: Accident and injury log maintained.

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	2.0%
	This year	1.5%
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)	2.0%	
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%

Non-Compliance		Evidence
[Back to findings summary]		
Non-Compliance		
Status	OPEN	
Reference	ZAF600480559	
Clause	0A - Universal Rights covering UNGP	
Issue Title	674 - Facility does not have a policy respecting land rights (where appropriate)	
Subcategory	Land rights	
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	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.	
Explanation to the non compliance	It was noted during document review that facility has not developed Land right policy.	
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 facility should develop and implement policy respecting land rights.	

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:

- The factory policies have established, documented, maintained and effectively communicated social compliance policies and procedures in the factory. As per policy factory is committed to providing a workplace environment.
- The facility discourages discrimination, employment of child 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 Labour department and Civil defence departments are conducting annual inspections at the factory.
- Facility management was found aware of local law requirements concerning child labour, wages, hours of work, health and safety, environments etc moreover facility obtains law updates from labour department.
- Facility has appointed Mr. Zia Khan – GM Factory to ensure implementation of local law and international labour standards requirement and during interview Mr. Zia Khan, found aware of all requirements.
- Facility is conducting internal audits on quarterly basis to ensure effectiveness of social policy and procedure.
- The factory has taken written commitment from all its suppliers to comply with social compliance code of conduct.
- In the last 12 months, facility has not been subject to any fines / prosecution for noncompliance confirmed during management interviews.

Evidence examined:

Social compliance policy and procedure manual
Law updates minimum wage revision.
Job description of compliance manager
Internal audit reports
Company policies
Training records

Any other comments:

Nil

Management Systems

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:

No fines from any regulations

<p>Do policies and/or procedures exist that reduce the risk of forced labour, child labour, discrimination, harassment & abuse?</p>	<p><input checked="" type="checkbox"/> Yes <input type="checkbox"/> No</p> <p>Please give details:</p> <p>Factory does not hire child labour, force labour and discrimination issues were not found during audit and conformed during workers interview; policy and procedures are available in the factory.</p>
<p>If Yes, is there evidence (an indication) of effective implementation? Please give details.</p>	<p>Policies and procedure exist to reduce the risk of child labour Force Labour Harassment & Abuse, Discrimination. The policies and procedure were found fully implemented and no incident of child labouring, forced labouring, harassment abuse and discrimination case were noted during facility visit, documents review and workers interview.</p>
<p>Have managers and workers received training in the standards for forced labour, child labour, discrimination, harassment & abuse?</p>	<p><input checked="" type="checkbox"/> Yes <input type="checkbox"/> No</p> <p>Please give details:</p> <p>Managers and workers were properly trained on the policies of 'No Forced labour' No child labouring, and 'No harsh treatment and discrimination, factory policies were found displayed on notices boards and communicated to managers and workers through orientation training and factory hand book annual training.</p>
<p>If Yes, is there evidence (an indication) that training has been effective e.g. training records etc.? Please give details</p>	<p><input checked="" type="checkbox"/> Yes <input type="checkbox"/> No</p> <p>Please give details:</p> <p>Verified during documents review, management and workers interview that, factory has a program to train the relevant individuals regarding the standards for forced labor, child labor, discrimination, harassment & abuse and changes of any Laws or revisions to existing Laws & regulations.</p>
<p>Does the site have any internationally recognised system certifications e.g. ISO 9000, 14000, OHSAS 18000, SA8000 (or other social audits)?</p>	<p><input type="checkbox"/> Yes <input checked="" type="checkbox"/> No</p> <p>Please give details:</p> <p>Factory does not have any certification.</p>
<p>Is there a Human Resources manager/department?</p>	<p><input checked="" type="checkbox"/> Yes <input type="checkbox"/> No</p> <p>Mr. Ubaid is Manager HR, responsible for Human resources activities in the factory.</p>
<p>Is there a senior person /manager responsible for implementation of the code?</p>	<p><input checked="" type="checkbox"/> Yes <input type="checkbox"/> No</p> <p>Please give details:</p> <p>Facility has appointed Mr. Zia Khan – GM Factory to ensure implementation of local law and international labour standards requirement.</p>
<p>Is there a policy to ensure all worker information is confidential?</p>	<p><input checked="" type="checkbox"/> Yes <input type="checkbox"/> No</p> <p>Please give details:</p> <p>There is a policy to ensure all worker information is confidential.</p>
<p>Is there an effective procedure to ensure confidential information is kept confidential?</p>	<p><input checked="" type="checkbox"/> Yes <input type="checkbox"/> No</p> <p>Please give details:</p> <p>All worker information is kept locked in files in the personnel office.</p>

Are risk assessments conducted to evaluate policy and procedure effectiveness?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No Please give details: Risk assessment has been conducted to evaluate the effectiveness of the company policy and procedure.
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: Factory has policies and procedures to ensure the risks have been mitigated and proper controls in place.
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: Factory has a policy by which they communicate all social requirements and buyer's requirements to its suppliers and also take written commitment from them.
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: NTN # 3552915-6 Labour reg. #. FA/E/CMI-24(R-2232)/2017 Building stability certificate on Form K, rule 93 of Sindh Factories Act 2015 was available in the factory reviewed during audit. Signed and issued by Akbar & Associates Engr Saleem Ahmed Ref # AA/745/2022
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: These are performed by the Labour Inspection department.
Does the site have a written policy and procedures specific to land rights?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No Please give details: Facility does not have a policy respecting land rights.
Is there evidence that facility/site compensated the owner/lessor for the land prior to the facility being built or expanded?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No Please give details: Not Applicable
Does the facility demonstrate that alternatives to a specific land acquisition were considered to avoid or minimize adverse impacts?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No Please give details: Not Applicable
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: Not Applicable

Non-Compliance		Evidence
[Back to findings summary]		
Non-Compliance		
Status	OPEN	
Reference	ZAF600480560	
Clause	0B - Management Systems and code Implementation	
Issue Title	687 - The ethical Code (i.e. ETI Base Code for SMETA audits) is not communicated to the site's employees	
Subcategory	Site's Awareness of Code/Legal Requirements	
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	0.B.3 - Suppliers are expected to communicate this Code to all employees.	
Explanation to the non compliance	During workers interview and document review it was noted that workers have inadequate awareness on ETI Code. Further it was also confirmed that no training has been provided to workers on ETI Code.	
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 trainings are provided to all workers on ETI Code to create awareness.	

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:

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

Evidence examined:

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

Any other comments:

Nil

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: No restrictions found on workers' freedom to terminate employment</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: There is no business registration 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: No restrictions found on workers' freedoms to leave the site at the end of the work day</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: The facility conducts evaluation of their suppliers on the risk of forced, trafficked or bonded labour.</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: The facility educates and conducts evaluation of their suppliers on the risk of forced, trafficked or bonded labour.</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:

- Factory has defined Freedom of association policy and procedure.
- Mr. Zia Khan- GM Factory is responsible for monitoring and implementation of this code in the factory.
- The workers can talk with management directly to raise the comment or complaint.
- There is no union at the site.
- Worker interview confirmed that they directly go to management if they have any issue.
- The facility has policy to form Joint Work Council democratically elected by the workers.

Evidence examined:

- Worker Council Committee Document
- Election Records
- Worker Council Committee Meeting records
- Suggestion Boxes Record
- Safety committee meeting records

Any other comments:

Nil

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:	No union in factory. Factory does have workers committee.
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: Factory has defined workers communication policy, for which suggestion and complaint boxes were installed in the company. Company have also open-door policy or to convey through their department in-charge and directly to management. Worker council committee gives awareness to the labour about the proper use age of these.
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?	Factory have Joint Workers' Committee.
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: Facility has provided proper meeting room to facilitate the worker's committee to conduct their activities.
Were worker representatives freely elected?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
Date of last election:	2024-01-24
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 meeting records reviewed. Last meeting was conducted on April 17, 2024. Meeting records are available. They discussed with management regarding work place condition improvement and their benefits.
Are any workers covered by Collective Bargaining Agreement (CBA)?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No

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 EHS policy ref # BT/CP/02/05 and procedure ref # BT/04/13.
- Mr. Zia Khan – General Manager Factory is responsible for compliance with health and safety standards in the factory.
- Factory has a health & safety committee having 8 members, 03 from management side and 05 from workers: committee meets on monthly basis; last meeting was conducted on 29-01-2024.
- Factory is registered with labor department, Reg. #. FA/E/CMI-24(R-2132)2017
- Factory was inspected by Civil Defense department on 22-12-2023 valid till Dec 20, 2024, certificate # 01/GEN/2017 CDM/CDO/EAST/MALIR/KORANGI.
- Factory has valid building stability certificate on Form-K, issued by Engr Saleem Ahmed, Reg # AA/745/2022.
- Factory has permanent qualified & certified Electrician, Mr. Nabeel, Certificate Ref : Reg # 004565
- The factory conducts evacuation drill quarterly. Last drill of day was conducted on April 05, 2024 started on 14:30 hrs evacuation time was noted 2:33 minutes, conducted by factory External Team.
- There were 49 Fire extinguishers and 07 Fire Trolleys visibly posted in each department and easily accessible as verified during the factory tour. There are a Fire Alarm Panels centrally connected. There are 12 fire alarm call points and 14 smoke detectors and 4 hose reels with hydrant points installed in the factory.
- Fire reservoir tank capacity is 5,000 gallons.
- Factory has total 14 toilets , that meets law requirements.
- There were 8 first aiders and 8 First Aid boxes installed in different departments of the factory. Last first aid training was conducted on 05-1-2024. The training was conducted by Mr. Khalid Mehmood Shaikh - Civil Defense Approved Trainer.
- Factory has conducted risk assessment on H&S and fire safety on 16-08-2023.
- Factory has comprehensive emergency response plan for emergency with role and responsibilities defined.
- Factory conduct quarterly training for firefighting, there were 16 workers trained for firefighting, last training was conducted on 05-1-2024.
- Factory has conducted training on the usage of PPE's on 23-4-2024.
- Two set of stairs were available for each factory floor in the buildings. • Accident and injury records were kept, and the factory analyzed the accidents/injuries and took some corrective actions.
- 1 Cargo Lifts were installed with the capacity of 2000 kgs, was inspected from M/s ICS Engineering Company dated 06-12-2023.
- Drinking water report conducted by Sustainable environment services on 30-11-2023, Report # S/LAB/Sep/23-D.
- Vaccination were conducted from Certifying Surgeon MBBS doctor Dr Saleem Kharal on 04-01- 2024.
- The general EHS conditions such as hygiene, lighting and ventilation etc. were all acceptable



Evidence examined:

<ul style="list-style-type: none"> • Health and safety policy • Health and safety manual • Training records and certificates • Fire equipment maintenance records • Fire drill records • Government licenses and checks on air quality and noise level • Building structure safety certificate • Trained first aider register • Accident reports • Potable water testing certificates • Interviews with workers and management
Any other comments:
Nil



Does the facility have general and occupational Health & Safety policies and procedures that are fit for purpose and are these communicated to workers?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No Please give details: The facility has a written policy and procedure based on Health & Safety practices in place at the site covering for both the workplace and employees. The responsibility of implementing, deploying and monitoring has been delegated to Waqar Ahmed – Manager H&S. Policies are communicated during the induction training
Are the policies included in workers' manuals?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No Please give details: Health & Safety and occupational Health & Safety policies and procedures communicated to all employees
Are there any structural additions without required permits/inspections (e.g. floors added)?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No Please give details: N/A
Are visitors to the site informed on H&S and provided with personal protective equipment?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No Please give details: Factory communicates Health and Safety practices applied in the factory for all visitors and provides relevant PPEs for them as per the requirement.
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))	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No Please give details: Factory does not have medical room. However, factory has provided health/medical insurance to its employees.
Is there a doctor or nurse on site or there is easy access to first aider/ trained medical aid?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No Please give details: Facility has allocated trained first aiders and employees have access to the first aiders in case of any injury.

<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 checked="" type="checkbox"/> Yes <input type="checkbox"/> No</p> <p>Please give details: Facility has provided transport facility to their workers.</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: Factory has provided lockers for employees to keep their belongings and fit for purpose</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: Factory has conducted risk assessment covering working hours and overtime if employees work after the regular hours and control points were there to reduce the risk.</p>
<p>Is the site meeting its legal obligations on environmental requirements including required permits for use and disposal of natural resources?</p>	<p><input checked="" type="checkbox"/> Yes <input type="checkbox"/> No</p> <p>Please give details: Facility is using Sindh Environment Protection Agency approved source for such resources.</p>
<p>Is the site meeting its customer requirements on environmental standards, including the use of banned chemicals?</p>	<p><input checked="" type="checkbox"/> Yes <input type="checkbox"/> No</p> <p>Please give details: Facility is using Sindh Environment Protection Agency approved source for such resources.</p>


Non-Compliance		Evidence
[Back to findings summary]		
Non-Compliance		
Status	OPEN	
Reference	ZAF600480554	
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 checked="" type="checkbox"/> Training <input type="checkbox"/> System <input checked="" type="checkbox"/> Costs <input type="checkbox"/> Lack of workers <input type="checkbox"/> Other	
Root cause - Other		
Local law issue	Sindh Factories Rule 1975 section 94(1); in every factory there shall be maintained in good working condition First aid appliances as specified in Appendix I. The First aid Appliances shall be placed under the charges of responsible person, who knows to use them and shall be kept in readily accessible place within the factory. The work First Aid shall be clearly painted on the box.	
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 floor visit it was noted that 2 out of 8 first aid boxes were found with insufficient medical supplies and found cotton openly placed without any protection from dust, in main store & 1st floor Finishing, in first aid boxes.	
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 facility will provide sufficient medical supplies.	
		 Insufficient medical supplies.jpg


Non-Compliance		Evidence
[Back to findings summary]		
Non-Compliance		
Status	OPEN	
Reference	ZAF600480555	
Clause	3 - Working Conditions are Safe and Hygienic	
Issue Title	278 - Personal Protective Equipment (PPE) provided but incidents of workers not using PPE where appropriate	
Subcategory	Personal Protective Equipment/Clothing	
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 checked="" type="checkbox"/> Costs <input type="checkbox"/> Lack of workers <input type="checkbox"/> Other	
Root cause - Other		
Local law issue	Rule 12 (c) of the Hazardous Substances Rules, 2003: Protective clothing and equipment comprising helmet or cloth cap, safety spectacles or goggles, respirators or masks, rubber or plastic gloves and work boots, shall be available for all workers who may be exposed to hazardous substance, and no workers shall be permitted on job unless and until he is wearing such protective clothing and equipment.	 <p>Worker without using PPE's in overlock machine.jpg</p>
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.	 <p>Worker not using PPE's in Cutting section.jpg</p>
Explanation to the non compliance	During floor visit it was noted that workers were not using PPE's while doing hazardous work. 5 Overlock machine operators in Stitching 1st floor, were not using face masks; 4 Cutting staff staff were not using the face mask in cutting department first floor.	
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 will provide appropriate PPE's and awareness to workers for using PPEs.	

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Non-Compliance		Evidence
[Back to findings summary]		
Non-Compliance		
Status	OPEN	
Reference	ZAF600480556	
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 checked="" type="checkbox"/> Training <input type="checkbox"/> System <input checked="" type="checkbox"/> Costs <input type="checkbox"/> Lack of workers <input type="checkbox"/> Other	
Root cause - Other		
Local law issue	Rule 55 of The Sind Factories Rules, 1975: The following parts of transmission machinery shall be securely fenced if in motion and within reach of workers:- (i) All shafts, couplings, collers, clutches, toothed wheels, pulley driving straps, chains and ropes, except such as are in the opinion of the Inspector by construction or position equally safe to every person employed in the factory as they should be if securely fenced or guarded.	 Missing Eye guard-1.jpg
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.	 Missing Eye guard.jpg
Explanation to the non compliance	During floor visit it was noted that 3 overlock machines & 1 single needle machines in Stitching department was found without eye guard in 1st floor.	
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 will provide safety guards in all stitching & finishing machines and safety nozzle to all compressed air pipes.	

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Non-Compliance	Evidence																														
[Back to findings summary]																															
<table border="1" style="width: 100%;"> <thead> <tr> <th colspan="2">Non-Compliance</th> </tr> </thead> <tbody> <tr> <td>Status</td> <td>OPEN</td> </tr> <tr> <td>Reference</td> <td>ZAF600480557</td> </tr> <tr> <td>Clause</td> <td>3 - Working Conditions are Safe and Hygienic</td> </tr> <tr> <td>Issue Title</td> <td>334 - Sanitary facilities (e.g. toilets) do not meet a local legal requirement not classified elsewhere</td> </tr> <tr> <td>Subcategory</td> <td>Hygiene Facilities & Housekeeping</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 checked="" type="checkbox"/> Training <input type="checkbox"/> System <input checked="" 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>Local law issue</td> <td>Rule 42(c) of Sind Factories Rules, 1975: Soap and towels shall be provided and kept available for workers free of cost at every wash basin and regular arrangements shall be made for replacement of used towels with clean towels daily.</td> </tr> <tr> <td>ETI code</td> <td>3.3 - Access to clean toilet facilities and to potable water, and, if appropriate, sanitary facilities for food storage shall be provided.</td> </tr> <tr> <td>Explanation to the non compliance</td> <td>During floor visit it was noted that towel / hand dryer were missing in male toilet on ground floor and 1st floor.</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 facility should provide towel / hand dryers at all toilets</td> </tr> </tbody> </table>		Non-Compliance		Status	OPEN	Reference	ZAF600480557	Clause	3 - Working Conditions are Safe and Hygienic	Issue Title	334 - Sanitary facilities (e.g. toilets) do not meet a local legal requirement not classified elsewhere	Subcategory	Hygiene Facilities & Housekeeping	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 checked="" type="checkbox"/> Costs <input type="checkbox"/> Lack of workers <input type="checkbox"/> Other	Root cause - Other		Local law issue	Rule 42(c) of Sind Factories Rules, 1975: Soap and towels shall be provided and kept available for workers free of cost at every wash basin and regular arrangements shall be made for replacement of used towels with clean towels daily.	ETI code	3.3 - Access to clean toilet facilities and to potable water, and, if appropriate, sanitary facilities for food storage shall be provided.	Explanation to the non compliance	During floor visit it was noted that towel / hand dryer were missing in male toilet on ground floor and 1st floor.	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 towel / hand dryers at all toilets
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	 <p>Missing Hand towel.jpg</p>																														

Non-Compliance		Evidence
[Back to findings summary]		
Non-Compliance		
Status	OPEN	
Reference	ZAF600480558	
Clause	3 - Working Conditions are Safe and Hygienic	
Issue Title	231 - Material safety data sheet (MSDS) is incomplete / inaccurate / not in worker language / not understood by workers	
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		
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 facility tour it was noted that MSDS of an ink powder chemicals was not available / posted in chemical store.	
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 facility should ensure that updated and complete MSDS is available at the area where chemicals are used.	
		 Missing MSDS.jpg

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:

Factory has defined Child Labour Policy and Child Remediation Policy.
No worker below 18 years is employed in the factory. According to the hiring procedure, prospective workers with authentic age verification documents will be considered for hiring.
No underage worker was found during the audit.
HR department ascertains workers' age during appointment through document review and interview.
Copy of worker's age verification documents are kept in their personnel files.
Checks from all workers that the youngest worker present was age 19 years old.

Evidence examined:

- Social Policy Manual
- Recruitment notices
- Policy on child labour and remediation
- Verification of 52 personnel files for a valid age proof document.

Any other comments:

Nil

Legal age of employment:	18
Age of youngest worker found:	19
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 under 18 worker working in the facility.

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:

Payroll is thoroughly checked by accounts and the HR department before disbursement of payment to ensure employees are paid wages consistent with local laws and terms of employment. A wage slip is issued to employees to verify if the wages paid are consistent with the terms of employment.

Payrolls and attendance records were checked and were found consistent with legal requirements for payment of wages.

The minimum wage paid by the factory was 32000 Pak rupees per month to the workers according to the wage records.

All workers were paid as per minimum wage requirement of the Sindh province law.

All workers are 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.

Benefits such as social insurance, annual leave, and maternity leaves, EOBI and other legally mandatory benefits provided to all workers. Rate of minimum wage, overtime rate, overtime calculation, and wages policy, benefits policies such as leave, annual bonus, group insurance and gratuity policies were posted on main notice board in local (Urdu) language and also employee hand book was provided to the workers. All production and management employees are paid through Cash. Record of payment was maintained and provided for review.

Payments of the overtime hours of normal day 200 %, and at statutory holidays 200% and compensatory leave given to employees as per legal requirement. All social insurance payments were passed on to the relevant authorities in a timely manner. All workers were paid on 10th day of each month by cash.

Each worker was given a pay slip in local language and signed for their wages. Wages have been recorded according to documents checked.

Evidence examined:

Document (Wages and attendance records) review, Worker interview Management interview

Local and national laws

Wages and benefits policy

Local legal minimum wage documents

Payroll records from May 2023 to April 2024

Leave records

Social insurance and payment receipts from the local labour department Labour contracts for all employees

Resignation records

Hours records to check hourly rates and any overtime premiums

Any other comments:

Nil

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: 208.0	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: 2.0 Per Week: 12.0 Per Month: 52.0	Actual Per Day: 2.0 Per Week: 12.0 Per Month: 36.0	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: 1231 Per Week: 7386 Per Month: 32000	Actual Per Day: 1231 Per Week: 7386 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: null Per Month: null	Actual Per Day: 0 Per Week: 0 Per Month: 0	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)	26 samples from April 2024 (Most recent pay period) 26 samples from December 2023 (Randomly selected month) 26 samples from May 2023 (Initial month)		
Are there different legal minimum wage grades? If Yes, please specify all.	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No		
If there are different legal minimum grades, are all workers graded and paid correctly?	<input type="checkbox"/> Yes <input type="checkbox"/> No <input checked="" type="checkbox"/> 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.	Company paid 32000 PKR per month as lowest minimum wage which is as per law.		
Please indicate the breakdown of workforce per earnings	0.0% of workforce earning under minimum wage 45.0% of workforce earning minimum wage 55.0% of workforce earning above minimum wage		
Bonus Scheme found: Please specify details:	Bonus Scheme found: Factory pays one month gross salary bonus annually in the month of Ramadan. Last bonus was paid in the month of March 2024. 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:	EOBI (Employee Old Age Benefits Institution contribution) and Income Tax (Where Applicable) deducted from employee salary		

Have these deductions been made?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
Please list all deductions that have been made.	EOBI contribution and income tax was detected from salary
Please list all deductions that have not been made.	Social Security
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: Time records were properly maintained and clearly indicated in and out time
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: Wages are reviewed annually as per compensation policy and revision of minimum wage by local government.
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 workers are recruited for the same wage on same job and then increments are based on their skill, performance and efficiency.
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:

The factory has provided hours and wages records from May 2023 to April 2024.
None of the selected employees work seven (7) consecutive days without one (1) day.
Legal limits for regular overtime hours work is 12 hours overtime per week or 52 hours overtime per month.
Based on employees' interview, it was noted that overtime is voluntary and every one can refuse overtime.
All employees are given equal opportunity to work overtime.
No work is performed at home.
The employees mark their attendance by using the electronic time recording system whenever they are present in the facility
Facility operates in General shift i.e. 9:00 to 18:00

Evidence examined:

- Employment Agreements
- Payrolls (for 26 employees) for the month of April 2024 (recent month), 26 samples from December 2023 (random month) and 26 samples from May 2023 (random month) for review.
- Attendance records for 26 samples from April 2024 (recent month), 26 samples from December 2023 (random month) and 26 samples from May 2023 (random month) for review.
- Working records (from computers, to check for discrepancies).
- Leave Records

Any other comments:

Nil

Working hours' analysis

Systems & Processes

What timekeeping systems are used?	Electronic Time Recording (Face / Biometric scanning) system is used for recording of attendance
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)	2 hours per day, 10 hours per week & 18 hours/month in April 2024 2 hours per day, 12 hours per week & 34 hours/month in December 2023 2 hours per day. 12 hours per week & 39 hours /month in May 2023
Combined hours (standard or contracted + overtime hours = total) over 60 found?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No Please give details: Standard or contracted + overtime hour not exceed 60 hours.
Approximate percentage of total workers on highest overtime hours:	5.0%
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: All overtime are voluntary, confirmed through workers interviewed and document review.
Overtime premium	

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:

Factory policy is against discrimination in hiring, compensation, access to training, promotion, etc. on race, origin, age, gender, etc. The facility does not conduct pregnancy tests on employees during employment or before hiring as confirmed through documents review, employees' and management interviews.
 Employees' appraisal is solely based on performance. There was a formal discrimination policy in place. No worker was required to examine the hepatitis B virus and HIV. There was a written internal grievance process procedure.
 There was no evidence of sexual harassment. The facility imposes corresponding disciplinary action based on company policies in case there is violation of this principle. Facility established training programs for all relevant individuals including those responsible for supervising and hiring of workers on the policies and procedures of prohibiting all forms of discrimination.
 Facility's recruitment and screening procedure is through direct hiring.
 All employees are interviewed at the facility premises by HR department head. All employees are required to pass through facility's recruitment and screening procedure.

Evidence examined:

- Management interview
- Worker interview
- Factory regulation review
- The hiring and termination procedure
- Leave application records
- Payrolls, Attendance records, Termination records
- Social Policy Manual
- Labour contracts (for 26 employee)
- Payrolls (for 26 employees)
- Leave records
- Employment Agreements

Any other comments:

Nil

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)	N/A		
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 type="checkbox"/> Access to training <input checked="" type="checkbox"/> No evidence of discrimination found

Please give details	No Such Discrimination found
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)	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> 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.
Factory has maintained employment contract of all workers in their personal files.
No casual and seasonal were found hired in the factory during document review, facility visit and workers interview.

Evidence examined:

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

Any other comments:

Nil

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:

No migrant workers in the factory

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: No migrant workers in the factory
Is there any observation on this finding?	None
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	No agency workers in the factory
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: No agency workers in the factory
Does the site have a system for checking labour standards of agencies?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No Please give details: No agency workers in the factory
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: No contract workers in the factory
Do all contractor workers understand their terms of employment?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No Please give details: No contract workers in the factory

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:

Factory is not sub-contracting any of its operation

Evidence examined:

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

Any other comments:

Nil

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

<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:

During audit No migrant worker was found working in the factory

Evidence examined:

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

Any other comments:

Nil

10B4 - Environment 4–Pillar
[Summary of Findings]

10B4: Compliance Requirements

- 10.B4.1 Businesses as a minimum must meet the requirements of local and national laws related to environmental standards.
- 10.B4.2 Where it is a legal requirement, businesses must be able to demonstrate that they have the relevant valid permits including for use and disposal of resources e.g. water, waste etc.
- 10.B4.3 Businesses shall be aware of their end client’s environmental standards/code requirements
- 10.B4.4 Suppliers should have an environmental policy, covering their environmental impact, which is communicated to all appropriate parties, including its own suppliers.
- 10.B4.5 Suppliers shall be aware of the significant environmental impact of their site and its processes.
- 10.B4.6 The site should measure its impacts, including continuous recording and regular reviews of use and discharge of natural resources e.g. energy use, water use (see 4–pillar audit report and audit checks for details).
- 10.B4.7 Businesses shall make continuous improvements in their environmental performance.
- 10.B4.8 Businesses shall have available for review any environmental certifications or any environmental management systems documentation
- 10.B4.9 Businesses should have a nominated individual responsible for co-ordinating the site’s efforts to improve environmental performance.
- 10B4: Guidance for Observations
- 10.B4.10 Suppliers should have completed the appropriate section of the SAQ and made it available to the auditor.
- 10.B4.11 Has the site recently been subject to (or pending) any fines/prosecutions for noncompliance to environmental regulations.

Note for auditors and readers. This environment section is intended to take not more than 0.25 auditor days. It is an assessment only and the main requirement is to establish whether a site is meeting applicable environmental laws and/or has any certifications or environmental management systems in place. Following this assessment the client/supplier may decide a full environmental audit is required (see also best practice guidance/environment and guidance for auditor)

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 developed Environmental Management plan based on Local Law requirement and submitted the same to Sindh Environmental protection Agency.
- Factory has obtained permit from Sindh Environmental protection Agency ref # ROK/KHI/098/2023 dated: 12-10-2023 valid for 3 years
- Environmental Aspect and impact analysis was conducted in the factory; last was conducted on 14-02-2023.
- Factory has conducted Noise test internally on 12-03-2024 Noise dB found min. 72.0 dB and max. 77.6 dB. Average 73.2
- Factory has communicated its environmental policy to all stakeholders and suppliers.
- Factory has nominated Mr. Zia Khan – GM factory for ensuring environmental performance.
- Factory has conducted Ambient Air quality test from Quality Testing Services on 10-10-2023 ref # QTS/AM-04C/23/8268
- Factory has developed Waste Inventory Sheet for Hazardous and Non-Hazardous waste created in the facility.
- Factory is using Renewable Solar Energy of 500 kwh.

Evidence examined:

- Environmental policy and procedure.
- Environmental Management Plan
- Environmental Aspect & Impact Report
- Facility visit and review of the production process
- Review of the lab test reports for environmental compliance

Any other comments:

Nil

Environmental Analysis	
Is there a manager responsible for Environmental issues (Name and Position):	Factory has nominated Mr. Zia- Khan (General Manager) as Environment Management Representative Effort's environmental performance.
Has the site conducted a risk assessment on the environmental impact of the site, including implementation of controls to reduce identified risks?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No Please give details: Factory has conducted environmental risk assessment and aspect and impact analysis 14-02-2023
Does the site have a recognised environmental system certification such as ISO 14000 or equivalent?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No Please give details: N/A
Does the site have an Environmental policy?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
If yes, is it publicly available?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
If yes, does it address the key impacts from their operations and their commitment to improvement?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No Please give details: Policy is not available publicly
Does the site have a Biodiversity policy?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
Is there any other sustainability systems present such as Chain of Custody, Forest Stewardship Council (FSC), Marine Stewardship Council (MSC) etc.?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No Please give details: No chain of custody certification is available.
Have all legally required permits been shown?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No Please give details: Factory has obtained permit from Sindh Environmental protection Agency ref # SEPA/ROK/KHI/098/2023 dated: 12-10-2023 valid for 3 years
Is there a documentation process to record hazardous chemicals used in the manufacturing process?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> Not Applicable Please give details: Factory has maintained list of chemicals used in the manufacturing process, as per compliance with MRSL requirement.
Is there a system for managing client's requirements and legislation in the destination countries regarding environmental and chemical issues?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No Please give details: Factory is working on client specific requirement of chemical and environmental management

Facility has reduction targets in place for environmental aspects e.g. water consumption and discharge, waste, energy and green-house gas emissions:	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No Please give details: Factory has set targets aligned with SBTi (Science Based Targets Initiative) for reduction for in GHG and water consumption.
Facility has evidence of waste recycling and is monitoring volume of waste that is recycled.	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No Please give details: Facility is recycling its non-hazardous waste through 3rd party service provider.
Does the facility have a system in place for accurately measuring and monitoring consumption of key utilities of water, energy and natural resources that follows recognised protocols or standards?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No Please give details: Factory has installed consumption meters for energy, water and other resources in the factory.
Has the facility checked that any Sub-Contracting agencies or business partners operating on the premises have the appropriate permits and licences and are conducting business in line with environmental expectations of the facility?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No Please give details: Facility conducts social and environmental audit of their waste contractor and checks the legal permit and licenses.

Usage/Discharge analysis		
Criteria	Previous year: 2023	Current year: 2024
Electricity Usage: Kw/hrs	299442	74860
Renewable Energy Usage: Kw/hrs	3170	1056
Gas Energy Usage: Kw/hrs	0	0
Has site completed any carbon Footprint Analysis?	Yes	Yes
If Yes, please state result	335 tons	112 tons
Water Sources	Tanker	Tanker
Water Volume Used	256	85
Water Discharged	204	61
Water Volume Discharged	0	0
Water Volume Recycled	0	0
Total waste produced	14989 KG	4840 KG
Total hazardous waste produced	82 KG	8 KG
Waste to recycling	14983 KG	4832 KG
Waste to landfill	0	0
Waste to other	6 KG	8 KG
Total Product Produced	165624 pieces	66562 pieces

10C - Business Ethics – 4-Pillar Audit
[Summary of Findings]

10C: Compliance Requirements

- 10.C.1 Businesses shall conduct their business ethically without bribery, corruption, or any type of fraudulent Business Practice.
- 10.C.2 Businesses as a minimum must meet the requirements of local and national laws related to bribery, corruption, or any type of fraudulent Business Practices.
- 10.C.3 Where it is a legal requirement, businesses must be able to demonstrate that they comply with all fiscal legislative requirements.
- 10.C.4 Businesses shall have access to a transparent system in place for confidentially reporting, and dealing with unethical Business Ethics without fear of reprisals towards the reporter.
- 10.C.5 Businesses should have a Business Ethics policy, covering bribery, corruption, or any type of fraudulent Business Practice,
- 10.C.6 Businesses should have a designated person responsible for implementing standards concerning Business Ethics
- 10.C.7 Suppliers should ensure that the staff whose job roles carry a higher level of risk in the area of ethical Business Practice e.g. sales, purchasing, logistics are trained on what action to take in the event of an issue arising in their area.
- 10C: Guidance for Observations
- 10.C.8 Businesses should communicate their Business Ethics policy, covering bribery, corruption, or any type of fraudulent Business Practice to all appropriate parties, including its own suppliers.
- 10.C.9 Has the site recently been subject to (or pending) any fines/prosecutions for non-compliance to Business Ethics regulations. If so is there evidence that sustainable corrective actions have been implemented

Note for auditors and readers. This Business Ethics section is intended to take not more than 0.25 auditor days. It is an assessment not an audit.

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 business ethics and anti-bribery policy and procedure
- Factory has policy for compliance with national and international Laws and regulations
- Factory has nominated Mr. Zia Khan for compliance with business ethics integrity.
- Based on management interview the factory was familiar with national regulations/laws concerning business integrity standards.
- Business integrity policy was established in the whole factory and communicated to all Employees.
- Factory has Business Practices policy concerning bribery, corruption, or unethical Business Practice and communicated to all relevant parties.
- Factory has a system in place for confidentially reporting, and dealing with unethical Business Practices without fear of reprisals

Evidence examined:

- Business ethical policy and procedure
- Anti-bribery policy and procedure
- Social policy and procedure

Any other comments:

Nil

<p>Does the facility have a Business Ethics Policy and is the policy communicated and applied internally, externally or both, as appropriate?</p>	<p><input checked="" type="checkbox"/> Internal Policy <input type="checkbox"/> Policy for third parties including suppliers</p> <p>Please give details: Factory has defined business ethics and policy and procedure which is also communicated and implemented internally and externally</p>
<p>Does the site give training to relevant personnel (e.g. sales and logistics) on business ethics issues?</p>	<p><input checked="" type="checkbox"/> Yes <input type="checkbox"/> No</p> <p>Please give details: All relevant personnel were properly trained on factory business ethics and issues, last training was conducted 16-01-2024.</p>
<p>Is the policy updated on a regular (as needed) basis?</p>	<p><input checked="" type="checkbox"/> Yes <input type="checkbox"/> No</p> <p>Please give details: Policy was updated as needed</p>
<p>Does the site require third parties including suppliers to complete their own business ethics training</p>	<p><input checked="" type="checkbox"/> Yes <input type="checkbox"/> No</p> <p>Please give details: Facility has communicated its corporate ethical guidelines to its suppliers and requires them to communicate the same to its employees and workers</p>

Attachments



[Baraka Signed CAPR.pdf](#)



[Baraka Textiles 4C - Photo Table_May 09 -2024.docx](#)



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