




# Sedex Members Ethical Trade Audit Report

Version 6.1





Audit Details			
Sedex Company Reference: (only available on Sedex System)	ZC: 1030779	Sedex Site Reference: (only available on Sedex System)	ZS: 1034469
Business name (Company name):	Bismillah Textiles Limited		
Site name:	Bismillah Textiles Limited		
Site address: (Please include full address)	1 Km, Jaranwala Road, Khurianwala, Faisalabad Pakistan	Country:	Pakistan
Site contact and job title:	Mr. Imran Shahzad (Manager HR & Compliance)		
Site phone:	+92 41 2428888	Site e-mail:	compliance@bismillah.com.pk
SMETA Audit Pillars:	<input checked="" type="checkbox"/> Labour Standards	<input checked="" type="checkbox"/> Health & Safety (plus Environment 2-Pillar)	<input type="checkbox"/> Environment 4-pillar <input type="checkbox"/> Business Ethics
Date of Audit:	June 17-18, 2020		

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



## Audit Content:

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

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

### 2-Pillar SMETA Audit

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

### 4-Pillar SMETA

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

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

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



## SMETA Declaration

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

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

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

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

Lead auditor: Mujtaba Hussain	APSCA number: RA 21703574
Lead auditor APSCA status: RA	
Team auditor: Wasim Gul Khan	APSCA number: ASCA 21704191
Interviewers: Mujtaba Hussain	APSCA number: RA 21703574

Report writer: Wasim Gul Khan

Report reviewer: Rabia Saif

Date of declaration: June 18, 2020

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

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



## Summary of Findings

Issue (please click on the issue title to go direct to the appropriate audit results by clause) Note to auditor, please ensure that when issuing the audit report, hyperlinks are retained.	Area of Non-Conformity (Only check box when there is a non-conformity, and only in the box/es where the non-conformity can be found)				Record the number of issues by line*:			Findings (note to auditor, summarise in as few words as possible NCs, Obs and GE)
	ETI Base Code	Local Law	Additional Elements	Customer Code	NC	Obs	GE	
0A <a href="#">Universal Rights covering UNGP</a>			<input type="checkbox"/>	<input type="checkbox"/>				• Nil
0B <a href="#">Management systems and code implementation</a>		<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>				• Nil
1. <a href="#">Freely chosen Employment</a>	<input type="checkbox"/>	<input type="checkbox"/>		<input type="checkbox"/>				• Nil
2 <a href="#">Freedom of Association</a>	<input type="checkbox"/>	<input type="checkbox"/>		<input type="checkbox"/>				• Nil
3 <a href="#">Safety and Hygienic Conditions</a>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>		<input type="checkbox"/>	04	00	00	<b>• NC 1</b> Though Factory has provided the appropriate PPE to all employees however, during site tour some of worker in Processing department found carried out Welding process without using Eye Protective Sheet and also some of workers in Processing department found working without using safety shoes. <b>Desktop audit dated 13-07-2020</b> Factory has provided training to worker about the usage of PPE and HOD has ensured the effective implementation during working. Picture evidences verified.







									<p><b>NC Status: Closed</b></p> <ul style="list-style-type: none"> <li> <p><b>• NC 2</b></p> <p>Sufficient First Aid Boxes were provided in all departments; however, First Aid Cotton not found for surgical treatment of first aid.</p> <p><b>Desktop audit dated 13-07-2020</b></p> <p>Factory has placed the appropriate surgical first aid cotton in first aid boxes for first Aid Treatment.</p> <p>Picture evidences verified.</p> <p><b>NC Status: Closed</b></p> </li> <li> <p><b>• NC 3</b></p> <p>Factory has carried out health and safety risk assessment with sufficient detail, however, Risk Assessment associated of new established new Smart Mart was not carried out.</p> <p><b>Desktop audit dated 13-07-2020</b></p> <p>Factory has included and conducted the Risk Assessment of newly added process of stitching of home textile.</p> <p>Picture evidences verified.</p> <p><b>NC Status: Closed</b></p> </li> <li> <p><b>• NC 4</b></p> <p>Though Factory is Providing frequent training about health and Safety matters, however, During Interview with Health and Safety Committee, it was found that some of Committee Member could not demonstrate the knowledge about Protocol / Response Plan</p> </li> </ul>
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									<p>which is being adopt by organization in case of Fire / First Aid emergency Situation.  <b>Desktop audit dated 13-07-2020</b>  Factory has provided training to health and safety committee members about the emergency protocol / Response Plan.  Picture evidences verified.  <b>NC Status: Closed</b></p>
4	<u>Child Labour</u>	<input type="checkbox"/>	<input type="checkbox"/>		<input type="checkbox"/>				<ul style="list-style-type: none"> <li>Nil</li> </ul>
5	<u>Living Wages and Benefits</u>	<input type="checkbox"/>	<input type="checkbox"/>		<input type="checkbox"/>	00	00	03	<ul style="list-style-type: none"> <li><b>GE 1</b> Facility provides meal, food and other necessary items to workers twice a month on regular basis.</li> <li><b>GE 2</b> Facility supports for the maintenance of infrastructure of nearby primary school on regular basis.</li> <li><b>GE 3</b> Facility donates charity to Shaukat Khanum Memorial Hospital which is the largest cancer treatment facility in Pakistan on monthly basis.</li> </ul>
6	<u>Working Hours</u>	<input type="checkbox"/>	<input type="checkbox"/>		<input type="checkbox"/>				<ul style="list-style-type: none"> <li>Nil</li> </ul>
7	<u>Discrimination</u>	<input type="checkbox"/>	<input type="checkbox"/>		<input type="checkbox"/>				<ul style="list-style-type: none"> <li>Nil</li> </ul>
8	<u>Regular Employment</u>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>				<ul style="list-style-type: none"> <li>Nil</li> </ul>
8A	<u>Sub-Contracting and Homeworking</u>		<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>				<ul style="list-style-type: none"> <li>Nil</li> </ul>



9	Harsh or Inhumane Treatment	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>				• Nil
10A	Entitlement to Work		<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>				• Nil
10B2	Environment 2-Pillar		<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>				• Nil
10B4	Environment 4-Pillar		<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>				• Nil
10C	Business Ethics		<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>				• Nil
General observations and summary of the site:									
<ul style="list-style-type: none"> <li>➤ The products manufactured at this site are home textiles and denim garments.</li> <li>➤ Overall responsibility for meeting the standards is taken by Mr. Imran Shahzad (Manager HR &amp; Compliance).</li> <li>➤ The youngest worker on site was 20-year-old.</li> <li>➤ There is no union at this factory.</li> <li>➤ Joint Worker Council was present during audit, but management did not invite them during the opening / closing meeting due to work load.</li> <li>➤ There is 100% male in management and among supervisors.</li> <li>➤ Site has consistent business throughout the year.</li> <li>➤ 52 workers were selected for interview including 42 male and 10 female employees; they were interviewed as 8 groups of 4 and the balance of 20 workers were interviewed individually.</li> <li>➤ All workers said they were satisfied with their employment at the factory.</li> <li>➤ They also said they were able to make suggestions to their supervisors and team leaders and sometimes they had seen these suggestions used.</li> <li>➤ 52 Records to show wages and hours were taken for 3 months (May 2020, January 2020 &amp; August 2019)</li> <li>➤ Standard hours on site were on average 48 hours/month with 1 day off in every 7-day-period.</li> <li>➤ Legal minimum wages are paid to all workers in accordance with local law.</li> <li>➤ Correct OT rate were paid, Workers were paid 200% of minimum wage for normal OT hours, 300% for gazetted / festival holiday.</li> </ul>									

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



## Site Details

Site Details																										
A: Company Name:	Bismillah Textiles Limited																									
B: Site name:	Bismillah Textiles Limited																									
C: GPS location: (If available)	GPS Address:	Latitude: 31.4180833 Longitude: 73.07757																								
D: Applicable business and other legally required licence numbers and documents, for example, business license number, liability insurance, any other required government inspections	National tax number : 0688529-2 Labour registration certificate: DLW/F/FSD/839 Certificate of Incorporation: (L- 01846)  Note: All legal licenses are valid.																									
E: Products/Activities at site, for example, garment manufacture, electricals, toys, grower, cutting, sewing, packing etc	Home Textiles & Denim Garments																									
F: Site description: (Include size, location, and age of site. Also, include structure and number of buildings)	Bismillah Textiles Limited is manufacturer of home textiles and denim garments located at 1 Km, Jaranwala Road, Khurianwala, Faisalabad Pakistan, was established in 1989 with covered area of 314164 Square ft. Total 08 building blocks with following <table border="1"> <thead> <tr> <th>Production Building no - 01</th> <th>Description</th> <th>Remark, if any</th> </tr> </thead> <tbody> <tr> <td>Ground Floor</td> <td>Security Office, Mosque</td> <td>Building Constructed in 2004</td> </tr> <tr> <td>Is this a shared building?</td> <td>No</td> <td>Facility has independent building.</td> </tr> <tr> <th>Production Building no - 02</th> <th>Description</th> <th>Remark, if any</th> </tr> <tr> <td>Ground Floor</td> <td>Management Office, B-Grade Store,</td> <td>Building Constructed in 2005</td> </tr> <tr> <td>First Floor</td> <td>Processing Store, Leftover.</td> <td>Building Constructed in 2005</td> </tr> <tr> <td>Second Floor</td> <td>Main accessory store and record room</td> <td>Building Constructed in 2005</td> </tr> <tr> <td>Is this a shared building?</td> <td>No</td> <td>Facility has independent building.</td> </tr> </tbody> </table>		Production Building no - 01	Description	Remark, if any	Ground Floor	Security Office, Mosque	Building Constructed in 2004	Is this a shared building?	No	Facility has independent building.	Production Building no - 02	Description	Remark, if any	Ground Floor	Management Office, B-Grade Store,	Building Constructed in 2005	First Floor	Processing Store, Leftover.	Building Constructed in 2005	Second Floor	Main accessory store and record room	Building Constructed in 2005	Is this a shared building?	No	Facility has independent building.
Production Building no - 01	Description	Remark, if any																								
Ground Floor	Security Office, Mosque	Building Constructed in 2004																								
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Ground Floor	Management Office, B-Grade Store,	Building Constructed in 2005																								
First Floor	Processing Store, Leftover.	Building Constructed in 2005																								
Second Floor	Main accessory store and record room	Building Constructed in 2005																								
Is this a shared building?	No	Facility has independent building.																								



	<b>Production Building no – 03</b>	Description	Remark, if any
	Ground Floor	Folding Section, Digital printing	Building Constructed in 1995
	First Floor	Head Office, New world one (Garment Stitching)	Building Constructed in 1995
	Second Floor	Head Office, New World One (Garment Stitching)	Building Constructed in 1995
	Is this a shared building?	No	Facility has independent building.



	<b>Production Building no – 04</b>	Description	Remark, if any
	Ground Floor	Processing, lab, Energy House (Factory Generators)	Building Constructed in 1998
	Is this a shared building?	No	Facility has independent building.
	<b>Production Building no – 05</b>	Description	Remark, if any
	Ground Floor	Grieg Godown, Garnet Plant	Building Constructed in 1998
	First Floor	Quilting Section	Building Constructed in 1998
	Second Floor	Stitching Classic (Closed)	Building Constructed in 1998
	Is this a shared building?	No	Facility has independent building.
	<b>Production Building no – 06</b>	Description	Remark, if any
	Ground Floor	Rice husk boiler and coal boiler, RO Plant, Civil Offices	Building Constructed in 2012, 2013
	First Floor	Workers Canteen (Processing)	Building Constructed in 2013
	Is this a shared building?	No	Facility has independent building.



Production Building no – 07	Description	Remark, if any
Ground Floor	Finished goods Store, Cutting section, Chemical Store, Texpa	Building Constructed in 2004
First Floor	Stitching A, Pressing, Finishing, Packing workers canteen. Smart Mart	Building Constructed in 2004
Second Floor	Stitching B, Pressing, Finishing, Packing workers canteen.	Building Constructed in 2004
Third Floor	Stitching C, Pressing, Finishing, Packing workers canteen.	Building Constructed in 2004
Is this a shared building?	No	Facility has independent building.
Production Building no – 08	Description	Remark, if any
Ground Floor	Dormitory	Building Constructed in 2005
First Floor	Dormitory	Building Constructed in 2005
Is this a shared building?	No	Facility has independent building.

For below, please add any extra rows if appropriate.

F1: Visible structural integrity issues (large cracks) observed?  
☐ Yes  
☒ No

F2: Please give details: No visible cracks observed at the facility during site tour.

F3: Does the site have a structural engineer evaluation?  
☒ Yes  
☐ No

F4: Please give details: Facility has acquired building stability certificate from Tehama Associates Engineering Consultants by Engr. Khalid Jamil (PEC Reg # CIV-3651) dated April 21, 2020.



G: Site function:	<input type="checkbox"/> Agent <input checked="" type="checkbox"/> Factory Processing/Manufacturer <input type="checkbox"/> Finished Product Supplier <input type="checkbox"/> Grower <input type="checkbox"/> Homeworker <input type="checkbox"/> Labour Provider <input type="checkbox"/> Pack House <input type="checkbox"/> Primary Producer <input type="checkbox"/> Service Provider <input type="checkbox"/> Sub-Contractor
H: Month(s) of peak season: (if applicable)	Consistent business
I: Process overview: (Include products being produced, main operations, number of production lines, main equipment used)	<p><b>Products:</b> Home Textiles and Denim &amp; Non Denim Garments</p> <p><b>Main operations:</b> Grieg Fabric Receiving &gt; Bleaching &gt; Printing &gt; Dyeing &gt; Folding &gt; Embroidery &gt; Cutting &gt; Stitching &gt; Pressing &gt; Finishing &gt; Packing &gt; Dispatch.</p> <p><b>Production lines:</b> 28 sewing lines.</p> <p><b>Main Equipment:</b></p> <p><b>Stitching:</b> 594 Single Needle Juki, 52 Double Needle Juki, 24 Hem Stitch Golden Wheel, 188 Over Lock Safety Pegasus, 06 Button Machines, 08 Lock Stitch, 06 Kaj Button Hole, 09 Zig Zag Machine, 15 Kansai Sp, 07 Bartak, 02 Tape Cutters, 09 Flat Lock, 05 Blind Stitch, 02 Special Machines, 06 Feedo, 02 Flat Bed Chain Stitch 30 Press Iron, 17 Quilting Delta Machines, 04 Metal Detector Machines, 15 Hand Cutters, 01 Desunmbury Machine, 01 Wadding Plant and 01 Embroidery Machine.</p> <p><b>Processing:</b> 02 Bleaching Plants, 01 Mercerizing Range, 02 Singeing &amp; Desizing Machines, 02 Dyeing Machines, 02 Rotary Machines, 02 Curing Ager, 02 Printing Sampling, 06 Stenters, 03 Calenders, 01 Sanforizing, 03 Engraving, 02 Coading Machines, Embroidery machines 03, 09 Folding Machines (Inspection, Folding, Rolling &amp; Bailing).</p> <p><b>Utilities:</b> 02 Coal Boilers , 02 Gas Generators and 01 Diesel Generator, 01 Energy Turbine, 03 Water Turbines.</p> <p><b>Production Capacity:</b> 1.1 million Sheet sets per month and 60,000 garments per month</p> <p><b>Subcontracted operations:</b> Nil</p>
J: What form of worker representation / union is there on site?	<input type="checkbox"/> Union (name) <input checked="" type="checkbox"/> Worker Committee (Joint work council) <input type="checkbox"/> Other (specify) <input type="checkbox"/> None
K: Is there any night production work at the site?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
L: Are there any on site provided worker accommodation buildings e.g. dormitories	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No L1: If yes, approx. % of workers in on site accommodation: 7%



<p>M: Are there any off site provided worker accommodation buildings</p>	<p><input type="checkbox"/> Yes  <input checked="" type="checkbox"/> No  M1: If yes, approx. % of workers</p>
<p>N: Were all site-provided accommodation buildings included in this audit</p>	<p><input checked="" type="checkbox"/> Yes  <input type="checkbox"/> No  N1: If no, please give details</p>



Audit Parameters			
A: Time in and time out	A1: Day 1 Time in: 0900 A2: Day 1 Time out: 1800	A3: Day 2 Time in: 0900 A4: Day 2 Time out: 1800	A5: Day 3 Time in: A6: Day 3 Time out:
B: Number of auditor days used:	04 (02 Auditors in 02 Days)		
C: Audit type:	<input type="checkbox"/> Full Initial <input checked="" type="checkbox"/> Periodic <input type="checkbox"/> Full Follow-up <input type="checkbox"/> Partial Follow-Up <input type="checkbox"/> Partial Other  If other, please define		
D: Was the audit announced?	<input type="checkbox"/> Announced <input checked="" type="checkbox"/> Semi – announced: Window detail: 02 weeks (8 <sup>th</sup> June 2020 – 19 <sup>th</sup> June 2020) <input type="checkbox"/> Unannounced		
E: Was the Sedex SAQ available for review?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No E1: If No, why not?		
F: Any conflicting information SAQ/Pre-Audit Info to Audit findings?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No If <b>Yes</b> , please capture detail in appropriate audit by clause		
G: Who signed and agreed CAPR (Name and job title)	Mr. Imran Shahzad (Manager HR & Compliance)		
H: Is further information available (If yes, please contact audit company for details)	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No		
I: Previous audit date:	July 25-26, 2019		
J: Previous audit type:	SMETA Periodic		
K: Were any previous audits reviewed for this audit	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No  <input type="checkbox"/> N/A		



Audit attendance	Management	Worker Representatives	
	Senior management	Worker Committee representatives	Union representatives
A: Present at the opening meeting?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
B: Present at the audit?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
C: Present at the closing meeting?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
D: If Worker Representatives were not present please explain reasons why (only complete if no worker reps present)	Worker representatives were present during audit, but management did not invite them in opening and closing meetings due to work load.		
E: If Union Representatives were not present please explain reasons why: (only complete if no union reps present)	No trade union exists in factory. Joint Workers Council is in place.		



## Worker Analysis

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

Worker Analysis								
	Local			Migrant*				Total
	Permanent	Temporary	Agency	Permanent	Temporary	Agency	Home workers	
Worker numbers – Male	1374	00	00	00	00	00	00	1374
Worker numbers – female	42	00	00	00	00	00	00	42
Total	1416	00	00	00	00	00	00	1416
Number of Workers interviewed – male	42	00	00	00	00	00	00	42
Number of Workers interviewed – female	10	00	00	00	00	00	00	10
Total – interviewed sample size	52	00	00	00	00	00	00	52



A: Nationality of Management	Pakistani	
B: Please list the nationalities of all workers, with the three most common nationalities listed first. <i>Please add more nationalities as applicable to site. Add more rows if required.</i>	Nationalities: B1: Nationality 1: <u>Pakistani</u> B2: Nationality 2: _____ B3: Nationality 3: _____	Was the list completed during peak season? <input type="checkbox"/> Yes <input type="checkbox"/> No NA If no, please describe how this may vary during peak periods:
C: Please provide more information for the three most common nationalities.	C: approx % total workforce: Nationality 1 <u>100%</u> C1: approx % total workforce: Nationality 2 _____ C2: approx % total workforce: Nationality 3 _____	
D: Worker remuneration (management information)	D: <u>25</u> % workers on piece rate D1: <u>00</u> % hourly paid workers D2: <u>75</u> % salaried workers  Payment cycle: D3: <u>00</u> % daily paid D4: <u>00</u> % weekly paid D5: <u>75</u> % monthly paid D6: <u>25</u> % other (Bi-Weekly) D7: If other, please give details: Payments to piece rates is made on bi-monthly basis.	



Worker Interview Summary		
A: Were workers aware of the audit?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	
B: Were workers aware of the code?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	
C: Number of group interviews: (Please specify number and size of groups. Please see SMETA Best Practice Guidance and Measurement Criteria. If the auditor was not able to follow the BPG, please state within the declaration)	08 Groups of 04	
D: Number of individual interviews (Please see SMETA Best Practice Guidance and Measurement Criteria)	D1: Male: 14	D2: Female: 06
E: All groups of workers are included in the scope of this audit such as; Direct employees, Casual and agency workers, Workers employed by service providers such as security and catering staff as well as workers supplied by other contractors. <i>Note to auditor: please record details of migrant /agency/contractor workers in section 8 – Regular Employment, under Responsible Recruitment</i>	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No  If no, please give details	
F: Interviews were done in private and the confidentiality of the interview process was communicated to the workers?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	
G: In general, what was the attitude of the workers towards their workplace?	<input checked="" type="checkbox"/> Favourable <input type="checkbox"/> Non-favourable <input type="checkbox"/> Indifferent	
H: What was the most common worker complaint?	All workers interviewed had a positive attitude towards management and co-workers.	
I: What did the workers like the most about working at this site?	Working environment, on time payment	
J: Any additional comment(s) regarding interviews:	Most workers enjoyed working at this factory, they felt they had sufficient work and had a good relationship with management in general.	
K: Attitude of workers to hours worked:	Workers expressed that they sometimes wanted to work extra, to earn more money, however, they could turn down overtime if they wanted.	
L. Is there any worker survey information available?		



☐ Yes

☒ No

L1: If yes, please give details: N/A

**M: Attitude of workers:**

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

52 workers were selected for interview including 42 male and 10 female employees; they were interviewed as 08 groups of 04 and the balance of 20 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 food quality / health and safety to their worker representative who would take it to the worker management committee.

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

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

During audit interview was conducted with the members of "Joint Worker Council" Worker representatives were found happy and comfortable with management attitude. Worker representatives did not share any negative information about the factory management.

**O: Attitude of managers:**

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

The factory management had a system in place to check their current practices against their clients' requirements and the local law, and they took notice of the findings of the internal audit team and had implemented a Health & Safety committee to take care of health and safety concerns. Mr. Imran Shahzad (Manager HR & Compliance) was responsible for implementing legal and code standards and to conduct internal audits. Management of the facility found very co-operative and positive towards audit process and showed commitment to fulfil all pointed out non-conformances on immediate basis.



## Audit Results by Clause

### 0A: Universal Rights covering UNGP

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

#### 0.A. Guidance for Observations

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

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

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

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

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

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

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

### Current Systems and Evidence Examined

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

#### Current systems:

- Facility has developed human rights policy and training given to all employees on the need to protect human rights.
- Facility has designated person Mr. Imran Shahzad, Manager Compliance and HR responsible for implementing standards concerning Human rights.
- Suggestion and complaint boxes are mounted at several locations within the facility for confidentially reporting, and dealing with human rights impacts without fear of reprisals towards the reporter.

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

Details:

- Human rights policy
- Employee training records
- Worker interviews

Any other comments: Nil



A: Policy statement that expresses commitment to respect human rights?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No A1: Please give details: Facility has written human right policy and procedure.
B: Does the business have a designated person responsible for implementing standards concerning Human Rights?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No Please give details: Name: Mr. Imran Shahzad Job title: Manager HR & Compliance
C: Does the business have a transparent system in place for confidentially reporting, and dealing with human rights impacts without fear of reprisals towards the reporter?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No C1: Please give details: Suggestion and complaint boxes are mounted at several locations where workers can report any concern anonymously.
D: Does the grievance mechanism meet UNGP expectations? (Legitimate, Accessible, Predictable, Equitable, Transparent, Rights-compatible, a source of continuous learning and based on stakeholder engagement)	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No D1: If no, please give details: Personal data confidentiality clause found written on workers employment contract.
E: Does the business demonstrate effective data privacy procedures for workers' information, which is implemented?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No E1: Please give details:

Findings: Nil		
<b>Finding: Observation</b> <input type="checkbox"/> <b>Company NC</b> <input type="checkbox"/> <b>Description of observation:</b>  <b>Local law or ETI/Additional elements / customer specific requirement:</b>  <b>Comments:</b>	<b>Objective evidence observed:</b>	

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



## Measuring Workplace Impact

Workplace Impact		
A: Annual worker turnover: Number of workers leaving in last 12 months as a % of average total number of workers on site over the year (annual worker turnover)	A1: Last year: <u>3</u> %	A2: This year <u>4</u> %
B: Current % quarterly (90 days) turnover: Number of workers leaving from the first day of the 90 days period through to the last day of the 90 day period / [(number of employees on the 1 <sup>st</sup> day of 90 day period + number of employees on the last day of the 90 day period) / 2]	3.2%	
C: Annual % absenteeism: Number of days lost through job absence in the year / [(number of employees on 1 <sup>st</sup> day of the year + number employees on the last day of the year) / 2] * number available workdays in the year	C1: Last year: <u>1.5</u> %	C2: This year <u>1.75</u> %
D: Quarterly (90 days) % absenteeism: Number of days lost through job absence in the period / [(Number of employees on 1 <sup>st</sup> of the period + Number of employees on the last day of the period) / 2] * Number of available workdays in the month	1.2%	
E: Are accidents recorded?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No E1: Please describe:	
F: Annual Number of work related accidents and injuries per 100 workers: [(Number of work related accidents and injuries * 100) / Number of total workers]	F1: Last year: 2019 Number: 13	F2: This year: 2020 Number: 4
G: Quarterly (90 days) number of work related accidents and injuries per 100 workers: [(Number of work related accidents and injuries * 100) / Number of total workers]	0.45%	
H: Lost day work cases per 100 workers: [(Number of lost days due to work accidents and work related injuries * 100) / Number of total workers]	H1: Last year: NIL	H2: This year: NIL
I: % of workers that work on average more than 48 standard hours / week in the last 6 / 12 months:	I1: 6 months <u>01</u> % workers	I2: 12 months <u>05</u> % workers
J: % of workers that work on average more than 60 total hours / week in the last 6 / 12 months:	J1: 6 months <u>00</u> % workers	J2: 12 months <u>00</u> % workers



## 0B: Management system and Code Implementation

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

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

### Current Systems and Evidence Examined

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

#### Current systems:

- Factory has established, documented, maintained and effectively communicated Social compliance policy and procedure in the factory. As per policy 'Bismillah Textile Limited' is committed to provide a work place environment complying and compatible with all applicable laws. The facility discourages discrimination, employment of child and forced labour, harassment/abuse or corporal punishment and all other activities that contradict with local laws and buyer's code of conduct''.
- Local government departments like Civil defence department 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. and has subscription of different law websites, recent update has been received from Punjab Gazette for minimum wages on July 1<sup>st</sup>, 2019
- Facility has appointed Mr. Imran Shahzad (Manager HR & Compliance) to ensure implementation of local law and international labour standards requirement and during interview Mr. Imran Shahzad found well aware of all requirements.
- Facility is conducting internal audits on bi-annual basis to ensure effectiveness of social policy and procedure last internal audit was conducted on May 11 – 12, 2020.
- Facility has displayed ETI base code and local law abstracts at production floor notice boards for worker awareness.
- 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.
- Workers are being trained on ETI base code & labour law requirements on monthly basis through awareness sessions last awareness session was conducted on February 24, 2020 to February 27, 2020. Moreover workers were also found familiar with ETI code and labour law requirements during confidential interviews.

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

#### Details:

- Social Compliance Management System Manual,
- Job Description of Manager Compliance



- Facility visit and check notices boards for communication of code with workers
- Internal audits record
- Compliance Certificate

Any other comments: Nil

Management Systems:	
A: In the last 12 months, has the site been subject to any fines/prosecutions for non-compliance to any regulations?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No A1: Please give details: Site has not been subjected to any fine.
B: Do policies and/or procedures exist that reduce the risk of forced labour, child labour, discrimination, harassment & abuse?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No B1: Please give details:
C: If Yes, is there evidence (an indication) of effective implementation? Please give details.	Policies exist for all areas (child labour, forced labour, Health and Safety, Living Wage, Working Hours, no harsh treatment, Environment and Business Ethics); these are communicated to workers via poster and biannual trainings, last was conducted dated February 24, 2020 to February 27, 2020.
D: Have managers and workers received training in the standards for forced labour, child labour, discrimination, harassment & abuse?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No D1: Please give details: Standards on 'Forced labour' and 'No harsh treatment' 'child labour' were communicated to manager / workers through posters and biannual trainings, last was conducted dated February 24, 2020 to February 27, 2020.
E: If Yes, is there evidence (an indication) that training has been effective e.g. training records etc.? Please give details	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No E1: Please give details: <ul style="list-style-type: none"> <li>➤ Orientation training to all new hires.</li> <li>➤ Monthly training sessions last was conducted on February 24, 2020 to February 27, 2020.</li> <li>➤ Workers were found familiar with facility policies during worker interviews.</li> </ul>
F: Does the site have any internationally recognised system certifications e.g. ISO 9000, 14000, OHSAS 18000, SA8000 (or other social audits). Please detail (Number and date).	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No F1: Please give details:



	<ul style="list-style-type: none"> <li>➤ ISO 9001:2015 (Certificate # PAK19.175/UQ) valid till 6th June 2022 from Bureau Veritas Pakistan (Pvt.) Ltd.</li> <li>➤ ISO 14001:2015 (Certificate # PAK19.175/UE) valid till 6th June 2019 from Bureau Veritas Pakistan (Pvt.) Limited.</li> <li>➤ SA 8000:2008 (Certificate # PK08/00395) valid till 1st March 2020 from SGS Pakistan (Pvt.) Limited.</li> </ul>
G: Is there a Human Resources manager/department? If Yes, please detail.	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No G1: Please give details: Mr. Imran Shahzad is responsible for HR matters in the factory along with team of 18 employees.
H: Is there a senior person / manager responsible for implementation of the code	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No H1: Please give details: Mr. Imran Shahzad (Manager HR & Compliance) is responsible for implementation.)
I: Is there a policy to ensure all worker information is confidential?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No I1: Please give details: Workers personal data confidentiality clause found written on workers employment contract.
J: Is there an effective procedure to ensure confidential information is kept confidential?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No J1: Please give details: Worker information / personal files are kept under lock and key at HR office.
K: Are risk assessments conducted to evaluate policy and procedure effectiveness?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No K1: Please give details: Risk assessment conducted on February 2, 2020 to evaluate effectiveness of policy and procedures.
L: Does the facility have a process to address issues found when conducting risk assessments, including implementation of controls to reduce identified risks?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No L1Please give details: Issues pointed out during risk assessment and internal audit are brought to the attention of senior management and correction made.
M: Does the facility have a policy/code which require labour standards of its own suppliers?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No M1: Please give details: Facility has developed supplier selection policy and procedure, which require them to adhere labour standards.



Land rights	
N: Does the site have all required land rights licenses and permissions (see SMETA Measurement Criteria)?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No N1: Please give details: Facility has completed all legal requirements and obtained all legal certificates.
O: Does the site have systems in place to conduct legal due diligence to recognize and apply national laws and practices relating to land title?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No O1: Please give details: Facility has completed all legal requirements.
P: Does the site have a written policy and procedures specific to land rights. If yes, does it include any due diligence the company will undertake to obtain free, prior and informed consent, (FPIC) even if national/local law does not require it	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No P1: If yes, how does the company obtain FPIC: Facility has completed all legal requirements.
Q: Is there evidence that facility / site compensated the owner/lessor for the land prior to the facility being built or expanded.	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No Q1: Please give details: Facility has completed all legal requirements.
R: Does the facility demonstrate that alternatives to a specific land acquisition were considered to avoid or minimize adverse impacts?	<input type="checkbox"/> Yes <input type="checkbox"/> No NA R1: Please give details:
S: 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 S1: Please give details:

Non-compliance: Nil	
<b>1. Description of non-compliance:</b> <input type="checkbox"/> NC against ETI/Additional Elements <input type="checkbox"/> NC against customer code:  <b>Local law and/or ETI requirement:</b> <b>Recommended corrective action:</b>  <b>2. Description of non-compliance:</b> <input type="checkbox"/> NC against ETI/Additional Elements <input type="checkbox"/> NC against customer code:  <b>Local law and/or ETI requirement:</b> <b>Recommended corrective action:</b>	<b>Objective evidence observed:</b> (where relevant please add photo numbers)



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

Good Examples observed: Nil	
<b>Description of Good Example (GE):</b>	<b>Objective evidence observed:</b>



## 1: Freely Chosen Employment

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

### ETI

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

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

### Current Systems and Evidence Examined

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

Factory has established, documented, maintained, and effectively communicated forced labour policy and procedure (CSR/02/002). As per policy 'Bismillah Textiles Limited' sternly discourages forced labour all company's policies and procedures are very much compatible to the consent and free movement of the employees. Workers are not required to lodge "deposit" any kind of their (educational certificate), identity papers or any other personal belongings with the employer and are free to leave the company after reasonable notice.

- No prison labour was found working during facility visit.
- Policy was communicated to the workers through notices, workers' handbook and orientation and in quarterly awareness training sessions; last session was conducted on February 24<sup>th</sup> – 27<sup>th</sup> 2020.
- Facility allows employees to move freely within their designated work areas during work hours, including access to drinking water and toilet facilities.
- Employees are allowed to leave the facility during extended meal periods or after work hours confirmed during 52 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. Imran Shahzad (Manager HR & Compliance) is responsible person for policy communication, monitoring, training & Implementation.
- Through workers interview it was confirmed that workers are free to leave factory at the end of their work shift, also workers can resign with one month notice or salary in lieu.
- No sign of force labour was found in the factory during workers interview, documents review and facility visit.
- Factory has also communicated the policy to all its suppliers and contractor's records of acknowledgment reviewed during audit.
- Employment contract was found in accordance with local law and in native language which was found maintained at worker's personal files.
- No such long-term loan scheme is in practice which restricts employees from leaving the facility.
- Facility is only retaining National identity cards and education certificate copies in employee's personal files no original documents are being retained as a condition of employment.

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

Details:

- Personnel files (52 were checked)
- Resignation records
- Factory rules
- Employee handbook



- Management and worker interview
- Contracts for security guards

Any other comments: Nil

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

**Non-compliance: Nil**



<p><b>1. Description of non-compliance:</b>  <input type="checkbox"/> NC against ETI      <input type="checkbox"/> NC against Local Law:    <input type="checkbox"/> NC against customer code:</p> <p><b>Local law and/or ETI requirement</b></p> <p><b>Recommended corrective action:</b></p> <p><b>2. Description of non-compliance:</b>  <input type="checkbox"/> NC against ETI    <input type="checkbox"/> NC against Local Law:    <input type="checkbox"/> NC against customer code:</p> <p><b>Local law and/or ETI requirement:</b></p> <p><b>Recommended corrective action:</b></p>	<p><b>Objective evidence observed:</b>  <i>(where relevant please add photo numbers)</i></p>
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Observation: Nil	
<p><b>Description of observation:</b></p> <p><b>Local law or ETI requirement:</b></p> <p><b>Comments:</b></p>	<p><b>Objective evidence observed:</b></p>

Good Examples observed: Nil	
<p><b>Description of Good Example (GE):</b></p>	<p><b>Objective evidence observed:</b></p>



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

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

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

### ETI

2.1 Workers, without distinction, have the right to join or form trade unions of their own choosing and to bargain collectively.

2.2 The employer adopts an open attitude towards the activities of trade unions and their organisational activities.

2.3 Workers' representatives are not discriminated against and have access to carry out their representative functions in the workplace.

2.4 Where the right to freedom of association and collective bargaining is restricted under law, the employer facilitates, and does not hinder, the development of parallel means for independent and free association and bargaining.

### Current Systems and Evidence Examined

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

#### Current systems:

- Factory has defined freedom of association policy and procedure, as per policy "Bismillah Textiles Limited" respects the just, legal, ethical and social rights, facilities and needs of all employees purely on non-discriminatory basis, all employees of the company possesses freedom and right to associate and collectively bargain by just, ethical and legal means to protect their rights. On parallel means, all employees are free to elect their representatives for their rights protections.
- Currently there is no worker union however facility has constituted Joint work council as a parallel means
- Joint work council consist of 21elected worker's representatives and 05 management nominated representatives, worker's representatives were elected by fellow workers through secret balloting dated December 21 & 23, 2019 for one year.
- Joint work council meets monthly and discusses worker's issues and provides suggestion to management, last meeting was conducted on May 14, 2020.

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

##### Details:

- Freedom of association policy and procedure
- Joint work council election records
- Joint work council meeting records
- Interview with Joint worker welfare council members
- Interview with workers

Any other comments: NIL



A: What form of worker representation/union is there on site?	<input type="checkbox"/> Union (name) <input checked="" type="checkbox"/> Worker Committee (Joint Work Council) <input type="checkbox"/> Other (specify) <input type="checkbox"/> None	
B: Is it a legal requirement to have a union?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	
C: Is it a legal requirement to have a worker's committee?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	
D: Is there any other form of effective worker/management communication channel? (Other than union/worker committee e.g. H&S, sexual harassment)	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No D1: Please give details: There is a room available for the worker management council to conduct their meetings.  D2: Is there evidence of free elections? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	
E: Does the supplier provide adequate facilities to allow the Union or committee to conduct related business?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No E1: Please give details:	
F: Name of union and union representative, if applicable:	N/A	F1: Is there evidence of free elections? <input type="checkbox"/> Yes <input type="checkbox"/> No <input checked="" type="checkbox"/> N/A
G: If there is no union, is there a parallel means of consultation with workers e.g. worker committees?	Joint Worker Council	G1: Is there evidence of free elections? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A
H: Are all workers aware of who their representatives are?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	Hafiz Zia Nasir
I: Were worker representatives freely elected?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	I1: Date of last election: December 21 & 23, 2019
J: Do workers know what topics can be raised with their representatives?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	
K: Were worker representatives/union representatives interviewed?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No If Yes, please state how many: 02	
L: Please describe any evidence that union/worker's committee is effective?	Joint Work Council meets monthly, Last meeting of the council was held on May 14, 2020, Meeting minutes were posted at production floors and available to workers, and Last meeting topics covered Hygiene in canteen, Ladies Rest room, Toilets door.	



Specify date of last meeting; topics covered; how minutes were communicated etc.		
M: Are any workers covered by Collective Bargaining Agreement (CBA)?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	
If <b>Yes</b> , what percentage by trade Union/worker representation	M1: <u>00</u> % workers covered by Union CBA	M2: <u>00</u> % workers covered by worker rep CBA
M3: If <b>Yes</b> , does the Collective Bargaining Agreement (CBA) include rates of pay?	<input type="checkbox"/> Yes <input type="checkbox"/> No	

Non-compliance: Nil	
<p><b>1. Description of non-compliance:</b>  <input type="checkbox"/> NC against ETI    <input type="checkbox"/> NC against Local Law    <input type="checkbox"/> NC against customer code:</p> <p><b>Local law and/or ETI requirement:</b>  <b>Recommended corrective action:</b></p> <p><b>2. Description of non-compliance:</b>  <input type="checkbox"/> NC against ETI    <input type="checkbox"/> NC against Local Law    <input type="checkbox"/> NC against customer code:</p> <p><b>Local law and/or ETI requirement:</b>  <b>Recommended corrective action:</b></p>	<p><b>Objective evidence observed:</b>          (where relevant please add photo numbers)</p>

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

Good Examples observed: Nil	
<p><b>Description of Good Example (GE):</b></p>	<p><b>Objective evidence observed:</b></p>



### 3: Working Conditions are Safe and Hygienic

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

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

#### ETI

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

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

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

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

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

### Current Systems and Evidence Examined

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

#### Current systems:

Factory has defined Health and Safety policy and procedure as per policy "Company's core priority is to provide employees with neat and clean, safe and healthy environment. Company's facilities include availability of edible items including potable water, separated toilets, tidy and unpolluted air, noise safety, adequate lighting, installation of fire-fighting, first aid and other emergency equipment's and related drills / trainings".

- Facility has appointed Mr. Imran Shahzad (Manager HR and Compliance) to ensure proper implementation, monitoring and training of H&S requirements.
- During site tour, it was confirmed that all factory buildings are made of concrete (bricks, cement work) and seems sound. Production floors are well-ventilated. Temperature was comfortable for workers to work on production floors. Safety signs and safe work instructions have been posted at relevant locations which help identify and warn about the hazards present at the work station.
- Facility has established environment, Health and Safety committee with 21 members, selected from all departments Health and Safety committee meets quarterly and discusses health and Safety related issues and provides their recommendation to management for rectification last meeting held on March 03, 2020.
- Facility has obtained building stability certificate on "Form K" from Engineer Khalid Jamil (P.E.C # Civil /3651) dated April 21, 2020 and in this certificate above firm certified that they have carried out a detailed survey of the building and material which was found satisfactory and is in accordance with the recognized standards required by the Architects and Builders Association and further that the coercion has been carried out in such a way as to give the building reasonable stability and to provide the maximum safety in working the machines housed in the building.
- Facility has obtained electric installation inspection certificate (Ref # EIF/IS/2020/2246) dated April 29, 2020 from Electrical Inspector, Energy Department Government of Punjab.
- Facility has obtained labour inspection report from Deputy Director Labour Welfare dated August 30, 2019.
- Facility has obtained canteen hygiene certificate (Ref # EDO (H)-00185/FTC/ (Food License) dated December 3, 2019 from Office of the district Officer Health City District Government Faisalabad. According to the certificate sanitary and hygienic conditions were satisfactory at the time of inspection.



- Factory has established 15 members' canteen committee to address canteen related issues. Canteen committee meets monthly. Last meeting was held on May 5, 2020.
- Facility has obtained pathological tests reports of all canteen workers (reports of workers Bashir, Nazir & Khizr) from Allied Hospital, Department of Pathology dated December 3, 2019.
- Facility has installed 05 cargo lifts and has 02 fork lifters and obtained fitness certificates of cargo lifts and fork lifters from Star Brothers dated January 28, 2020.
- Facility has pest control procedures and obtained services for pest control and fumigation from "Ali Akbar Target Zarai Markaz" (Approved by the Govt. of Pakistan). Last spray was conducted on March 10, 2020.
- Facility has obtained drinking water test report (Ref #. NIBGE/PIBS/SEBD/BTL/2019/2711) dated June 9, 2020 from National Institute for Biotechnology & Genetic Engineering (NIBGE) for the compliance of WHO requirements.
- Factory has installed firefighting equipment like 541 fire extinguishers (457 DCP, 103 CO2 and 10 foam type), 02 fire man suits, fire hooks 10, Fire beaters 10, fire Shovels 04, 34 fire hydrant point & Hose reels, 17 fire buckets, 52 fire alarm call points, 253 Smoke Alarm, 215 emergency lights, 61 emergencies exits with illuminated exit signs. All firefighting equipment's were found properly maintained. Factory has obtained firefighting equipment inspection certificate (Ref # C-26/DOCD/2020/1250) from District Civil Defence Faisalabad dated January 13, 2020 valid for six months. As per this certificate factory has installed sufficient firefighting equipment in accordance with local law.
- EHS trainings like first aid, firefighting, chemical Handling and Use of PPE's were provided to all employees on quarterly basis.
- Firefighting and First aid training conducted on February 12, 2020 by Civil Defence.
- Waste Handling on March 11, 2020
- Chemical Handling and PPE's USE on February 20, 2020.
- Facility has conducted bi-annually fire / emergency evacuation drill, last drill was conducted on December 3, June 2019, monitored by Rescue 1122. Average evacuation time noted for each department was 02.2 minutes and 544 employees evacuated during the drill.
- Factory has mounted 43 first aid kits in all departments. Moreover, accident and injury records were kept; records were reviewed for year 2019-20.
- Facility has provided vaccination to the workers against contagious diseases like Cholera and typhoid on December 11-12, 2019.
- There were total 97 toilets 70 for male and 27 toilets for female.
- Factory has appointed 26 electricians who are managed by Mr Ijaz Electrical Engineer. Training and academic certificates were reviewed during the audit.
- The general EHS conditions such as hygiene, lighting and ventilation etc. were all acceptable and found properly maintained.

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

Details:

- Health and safety policy and procedure.
- Certificate of building stability
- Electrical installation inspection report
- Fire-fighting equipment inspection certificate
- EHS trainings like chemical Safety and Use of PPE's
- Injury and accident records for the year 2019-2020.
- Health and safety inspection reports.
- Machineries and equipment's inspection reports.
- Fire safety list of equipment.
- Machine maintenance record.
- Workers hygiene cards and vaccination reports.



Any other comments: NIL

<p>A: Does the facility have general and occupational Health &amp; Safety policies and procedures that are fit for purpose and are these communicated to workers?</p>	<p><input checked="" type="checkbox"/> Yes  <input type="checkbox"/> No  A1: Please give details:  Health &amp; safety and occupational health and safety policies and procedures exist, and found communicated to all workers through periodic awareness sessions</p>
<p>B: Are the policies included in workers' manuals?</p>	<p><input checked="" type="checkbox"/> Yes  <input type="checkbox"/> No  B1: Please give details:</p>
<p>C: Are there any structural additions without required permits/inspections (e.g. floors added)?</p>	<p><input type="checkbox"/> Yes  <input checked="" type="checkbox"/> No  C1: Please give details:</p>
<p>D: Are visitors to the site informed on H&amp;S and provided with personal protective equipment</p>	<p><input checked="" type="checkbox"/> Yes  <input type="checkbox"/> No  D1: Please give details:</p>
<p>E: Is a medical room or medical facility provided for workers?</p> <p>If yes, do the room(s) meet legal requirements and is the size/number of rooms suitable for the number of workers.</p>	<p><input type="checkbox"/> Yes  <input checked="" type="checkbox"/> No  E1: Please give details: No medical room provided however facility has provided first aid boxes in accordance with local law.</p>
<p>F: Is there a doctor or nurse on site or there is easy access to first aider/ trained medical aid?</p>	<p><input checked="" type="checkbox"/> Yes  <input type="checkbox"/> No  F1: Please give details: 106 trained first aiders available in the facility.</p>
<p>G: Where the facility provides worker transport - is it fit for purpose, safe, maintained and operated by competent persons e.g. buses and other vehicles?</p>	<p><input checked="" type="checkbox"/> Yes  <input type="checkbox"/> No  G1: Please give details: Facility has contract with competent transport contractor. Facility ensures fitness report from their contractors and drivers have valid driving licenses.</p>
<p>H: Is secure personal storage space provided for workers in their living space and is fit for purpose?</p>	<p><input checked="" type="checkbox"/> Yes  <input type="checkbox"/> No  H1: Please give details:</p>
<p>I: Are H&amp;S Risk assessments are conducted (including evaluating the arrangements for workers doing overtime e.g. driving after a long shift) and are there controls to reduce identified risk?</p>	<p><input checked="" type="checkbox"/> Yes  <input type="checkbox"/> No  I1: Please give details: H&amp;S risk assessments are conducted to evaluate the arrangements for workers doing overtime e.g. driving after a long shift etc.</p>



J: Is the site meeting its legal obligations on environmental requirements including required permits for use and disposal of natural resources?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No J1: Please give details:
K: Is the site meeting its customer requirements on environmental standards, including the use of banned chemicals?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No K1: Please give details: The site has a copy of the banned substances list from its customer and is meeting those requirements.

### Non-compliance:

#### 1. Description of non-compliance:

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

Though Factory has provided the appropriate PPE to all employees however, during site tour some of worker in Processing department found carried out Welding process without using Eye Protective Sheet and also some of workers in Processing department found working without using safety shoes.

#### Local law and/or ETI requirement

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

#### Recommended corrective action:

It is recommended that, Factory shall provide the Training to worker about the usage of PPE and HOD shall ensure the effective implementation during working.

#### Desktop audit dated 13-07-2020

Factory has provided training to worker about the usage of PPE and HOD has ensured the effective implementation during working.  
Picture evidences verified.

**NC Status: Closed**

#### 2. Description of non-compliance:

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

Sufficient First Aid Boxes were provided in all departments; however, First Aid Cotton not found for surgical treatment of first aid.

#### Local law and/or ETI requirement:

Punjab Factories Rules 1978 Rule 96 (1), Appendix 1 (C): For factories employing more than 50 workers--

- (i) Printed instructions in Urdu where the factory is situated for treatment of different types of injuries as per Appendix 'II'.
- (ii) A sufficient number (not less than two dozen) of small sterilized dressings for fingers.
- (iii) A sufficient number (not less than one dozen) of medium size sterilized dressings for hands and feet.

#### Objective evidence observed:

(where relevant please add photo numbers)

Site visit,  
Please see NC pic report



- (iv) A sufficient number (not less than one dozen) of large sterilized dressings for other parts of the body.
- (v) A sufficient number of sterilized burn dressings (small and large).
- (vi) A two per cent, alcoholic solution of iodine.
- (vii) A sufficient supply of sterilized cotton wool in 1/2oz. packets. 1/2
- (viii) A two per cent alcoholic solution of iodine.
- (ix) Eye-drops.
- (x) A supply of suitable splints and cotton wool or other material for paddings.

#### Recommended corrective action:

It is recommended that, Factory shall place the appropriate surgical First Aid Cotton in First Aid Boxes for First Aid Treatment.

#### Desktop audit dated 13-07-2020

Factory has placed the appropriate surgical first aid cotton in first aid boxes for first Aid Treatment.

Picture evidences verified.

**NC Status: Closed**

#### 3. Description of non-compliance:

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

Factory has carried out health and safety risk assessment with sufficient detail, however, Risk Assessment associated of new established new Smart Mart was not carried out.

#### Local law and/or ETI requirement:

ETI Base code requirement 3.1

#### Recommended corrective action:

It is recommended that Factory shall address the Risk Assessment of newly added process of stitching of home textile.

#### Desktop audit dated 13-07-2020

Factory has included and conducted the Risk Assessment of newly added process of stitching of home textile.

Picture evidences verified.

**NC Status: Closed**

#### 4. Description of non-compliance:

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

Though Factory is Providing frequent training about health and Safety matters, however, During Interview with Health and Safety Committee, it was found that some of Committee Member could not demonstrate the knowledge about Protocol / Response Plan which is being adopt by organization in case of Fire / First Aid emergency.

#### Local law and/or ETI requirement:

ETI Base code requirement 3.2

#### Recommended corrective action:

It is recommended that factory shall conduct the training to health and safety committee members about the emergency protocol / Response Plan

#### Desktop audit dated 13-07-2020



Factory has provided training to health and safety committee members about the emergency protocol / Response Plan.  
Picture evidences verified.  
**NC Status: Closed**

#### Observation: Nil

**Description of observation:**

**Local law or ETI requirement:**

**Recommended corrective action:**

**Objective evidence observed:**

#### Good Examples observed: Nil

**Description of Good Example (GE):**

**Objective Evidence Observed:**

#### 4: Child Labour Shall Not Be Used

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

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

##### ETI

4.1 There shall be no new recruitment of child labour.

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

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

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

#### Current Systems and Evidence Examined

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

**Current systems:**

- Factory has defined child labour policy and procedure in the factory.



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

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

Details:

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

Any other comments: NIL

A: Legal age of employment:	15
B: Age of youngest worker found:	20
C: Are there children present on the work floor but not working at the time of audit?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
D: % of under 18's at this site (of total workers)	00%
E: Are workers under 18 subject to hazardous work assignments? (Go to clause 3 – Health and Safety)	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No E1: If yes, give details

#### Non-compliance: Nil

##### 1. Description of non-compliance:

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

Local law and/or ETI requirement:

Recommended corrective action:

##### 2. Description of non-compliance:

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

##### Objective evidence observed:

(where relevant please add photo numbers)



<p>Local law and/or ETI requirement:</p> <p>Recommended corrective action:</p>	
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Observation: Nil	
<p>Description of observation:</p> <p>Local law or ETI requirement:</p> <p>Comments:</p>	<p>Objective evidence observed:</p>

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



## 5: Living Wages are Paid

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

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

### ETI

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

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

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

### Current Systems and Evidence Examined

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

#### Current systems:

- Facility has Compensation & Benefits policy and procedure (CSR/02/004). As per policy 'Bismillah Textiles Limited' provides compensations and benefits to all the employees as per state law. Employees are paid their salary / wages in form of hard cash and bank transferring along with itemized pay stub. Over time hours are compensated at double rate than that of average pay / wages. Company facilitates all the employees with legal benefits like social security, group insurance, old age benefits, bonus (as per company's annual profit), annual leaves (or encashment) maternity and other leaves.
- During documents review and workers interview it was noted that factory was paying PKR 17500 per month and PKR 673 per day as minimum wage to unskilled workers.
- Mr. Imran Shahzad (Manager HR & Compliance) is responsible person to act on compliant / objection logged / raised and discuss this matter in joint worker welfare council meeting and resolve it on priority basis.
- Factory was keeping record of the workers wage and wage slips were provided to the workers.
- Factory pays Old age benefit insurance of workers.
- Factory provides Social security benefit to workers. Social security and EOBI contribution payment records were reviewed for the last three months and found maintained.
- Factory has paid education cess of all employees as per local law requirement.
- All employees are covered through group Insurance (under group insurance policy number 31/1/004339) from EFU Life Insurance Limited in the factory. Last premium was paid on August 30, 2019.
- Factory pays yearly bonus to all workers for the year 2019-2020.

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

#### Details:

- Payroll and payment record of 52 workers for the month of May 2020, January 2020 & August 2019.
- Production records for the months of May 2020, January 2020 & August 2019. Wage slips of the workers
- Record of social security and EOBI



- Record of group insurance
- Record of full and final settlement of leaving workers

Any other comments: Nil

#### Non-compliance: Nil

##### 1. Description of non-compliance:

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

Local law and/or ETI requirement:

Recommended corrective action:

##### 2. Description of non-compliance:

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

Local law and/or ETI requirement:

Recommended corrective action:

##### Objective evidence observed:

(where relevant please add photo numbers)

#### Observation: Nil

Description of observation:

Local law or ETI requirement:

Comments:

##### Objective evidence observed:

#### Good Examples observed:

Description of Good Example (GE):

##### GE 1:

Facility provides meal, food and other necessary items to workers twice a month on regular basis.

##### GE 2:

Facility support s for the maintenance of infrastructure of of nearby primary school on regular basis.

##### Objective Evidence Observed:

Worker and management interviews



**GE 3:**

Facility donates charity to Shaukat Khanum Memorial Hospital which is the largest cancer treatment facility in Pakistan on monthly basis.

**Summary Information**

Criteria	Local Law (Please state legal requirement)	Actual at the Site (Record site results against the law)	Is this part of a Collective Bargaining Agreement?
A: Standard/Contracted work hours: (Maximum legal and actual required working hours excluding overtime, please state if possible per day, week, and month)	Legal maximum: 8 hrs / day, 48 hrs / week, 208 hrs / month	A1: :08 hrs / day, 48 hrs / week, 208 hrs / month	A2: <input type="checkbox"/> Yes <input type="checkbox"/> No <b>NA</b>
B: Overtime hours: (Maximum legal and actual overtime hours, please state if possible per day, week, and month)	Legal maximum: 2 hrs / day, 12 hrs / week, 48 hrs / month	B1: 02 hrs / day, 06 hrs / week, 24 hrs / month	B2: <input type="checkbox"/> Yes <input type="checkbox"/> No <b>NA</b>
C: Wage for standard/contracted hours: (Minimum legal and actual minimum wage at site, please state if possible per hr, day, week, and month)	Legal minimum: PKR 84.13 / hour, PKR 673 / day, PKR 4038.46 / week, PKR 17500 / Month for unskilled workers	C1:PKR 84.13 / hour, PKR 673 / day, PKR 4038.46 / week, PKR 17500 / Month for unskilled workers	C2: <input type="checkbox"/> Yes <input type="checkbox"/> No <b>NA</b>
D: Overtime wage: (Minimum legal and actual minimum overtime wage at site, please state if possible per hr, day, week, and month)	Legal minimum: PKR 168.26 / Hr (Same rate for all OT hours)	D1: PKR 168.26 / Hr (Same rate for all OT hours)	D2: <input type="checkbox"/> Yes <input type="checkbox"/> No <b>NA</b>

**Wages analysis:**

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

A: Were accurate records shown at the first request?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
A1: If <b>No</b> , why not?	N/A
B: Sample Size Checked (State number of worker records checked and from which weeks/months – should be current, peak, and random/low. Please see SMETA Best	52 workers wage records for the months of May 2020, January 2020 & August 2019.



Practice Guidance and Measurement Criteria)			
C: Are there different legal minimum wage grades? If <b>Yes</b> , please specify all.	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	C1: If <b>Yes</b> , please give details: ➤ Unskilled (Loader, Cleaner): PKR 17500 per month ➤ Semi-Skilled B (Packer, Asst. Kier man, Marker man): PKR 18138 per Month ➤ Skilled (Motor winder, Fitter): PKR 19777 per month As per Punjab Gazette 1 <sup>st</sup> July 2019.	
D: If there are different legal minimum grades, are all workers graded and paid correctly?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A	D1: If <b>No</b> , please give details:	
E: For the lowest paid production workers, are wages paid for standard/contracted hours (excluding overtime) below or above the legal minimum?	<input type="checkbox"/> Below legal min <input checked="" type="checkbox"/> Meet <input checked="" type="checkbox"/> Above	E1: Lowest actual wages found: <i>Note: full time employees and please state hour / week / month etc.</i> PKR 17500	
F: Please indicate the breakdown of workforce per earnings:	F1: <u>00</u> % of workforce earning under minimum wage F2: <u>100</u> % of workforce earning minimum wage F3: <u>00</u> % of workforce earning above minimum wage		
G: Bonus Scheme found: Please specify details:	Bonus Scheme found: One annual bonus on gross salary is given to employees. <i>Note: type of employee (e.g. full time, temp, etc.) and please state which units e.g. /hour /week /month etc.</i>		
H: What deductions are required by law e.g. social insurance? Please state all types:	EOBI Income Tax		
I: Have these deductions been made?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	I1: Please list all deductions that <b>have</b> been made.	1. EOBI 2. Income Tax 3. Provident fund / gratuity Please describe:
		I2: Please list all deductions that <b>have not</b> been made.	1. 2. Please describe: None
J: Were appropriate records available to verify hours of work and wages?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No		



<p>K: Were any inconsistencies found? (if yes describe nature)</p>	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	<p>K1: Type</p> <input type="checkbox"/> Poor record keeping <input type="checkbox"/> Isolated incident <input type="checkbox"/> Repeated occurrence:
<p>L: Do records reflect all time worked? (For instance, are workers asked to attend meetings before or after work but not paid for their time)</p>	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	<p>L1: Please give details:</p>
<p>M: Is there a defined living wage: <i>This is <u>not normally</u> minimum legal wage. If answered yes, please state amount and source of info: Please see SMETA Best Practice Guidance and Measurement Criteria.</i></p>	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	<p>M1: Please specify amount/time:</p>
<p>M2: If yes, what was the calculation method used.</p>	<input type="checkbox"/> ISEAL/Anker Benchmarks <input type="checkbox"/> Asia Floor Wage <input type="checkbox"/> Figures provided by Unions <input type="checkbox"/> Living Wage Foundation UK <input type="checkbox"/> Fair Wear Wage Ladder <input type="checkbox"/> Fairtrade Foundation Other – please give details: NA	
<p>N: Are there periodic reviews of wages? If Yes give details (include whether there is consideration to basic needs of workers plus discretionary income).</p>	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	<p>N1: Please give details: There is an annual review when local wage rates are examined by Govt.</p>
<p>O: Are workers paid in a timely manner in line with local law?</p>	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	
<p>P: Is there evidence that equal rates are being paid for equal work:</p>	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	<p>P1: Please give details:</p>
<p>Q: How are workers paid:</p>	<input checked="" type="checkbox"/> Cash <input type="checkbox"/> Cheque <input checked="" type="checkbox"/> Bank Transfer <input type="checkbox"/> Other	<p>Q1: If other, please explain:</p>



## 6: Working Hours are not Excessive

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

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

### ETI

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

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

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

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

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

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

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

### Current Systems and Evidence Examined

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

#### Current systems:

- Facility has defined working hour's policy and procedure (CSR/02/005) as per policy the management of "Bismillah Textiles Limited" is committed to ensure working hours in compliance to legal requirements. Management ensures that regular working hours don't exceed 48 hrs per week and overtime hours don't exceed 12 hrs per week. Management ensures that 7th day weekly rest is ensured. However, in case of "Urgent Business Needs" work can be performed on weekly rest provided all legal compliance is ensured. Urgent business needs can be considered in following business circumstances:
  - Strike in the city and loss of production.
  - Limited to delays / interruptions in production caused by Natural Calamities or unscheduled power failures.
  - No repetitive production deadlines or unforeseen circumstances which are beyond employer's control''.
- During audit, it was noted that factory works in below mention shift schedule:



- General Shift: 0900 To 1800 for management staff.  
There were three shifts for security, processing departments
- Shift A: 06:00 To 14:00 hours
- Shift B: 14:00 To 22:00 hours
- Shift C: 22:00 To 06:00 hours
- Factory has installed automated card scanner system for recording the workers working hours in the factory all workers have at least one day off in a week.
- Working hours in the factory is 8 hours per day and 48 hours per week.
- Maximum 2 hours a day and 12 hours per week overtime is allowed in the factory.

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

Details:

- Attendance Records
- Overtime Records
- Production Records
- Personal Files
- Site Tour

Any other comments: NIL

#### Non-compliance: Nil

##### 1. Description of non-compliance:

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

**Local law and/or ETI requirement:**

**Recommended corrective action:**

##### 2. Description of non-compliance:

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

**Local law and/or ETI requirement:**

**Recommended corrective action:**

##### Objective evidence observed:

(where relevant please add photo numbers)

#### Observation: Nil

##### Description of observation:

**Local law or ETI requirement:**

**Comments:**

##### Objective evidence observed:



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

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



F: Are workers provided with at least 1 day off in every 7-day-period, or 2 in 14-day-period?	F2: Please select all applicable: <input checked="" type="checkbox"/> 1 in 7 days <input type="checkbox"/> 2 in 14 days <input type="checkbox"/> No If 'No', please explain:	F3: Is this allowed by local law? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
	Maximum number of days worked without a day off (in sample):	
	6 Days	
<b>Standard/Contracted Hours worked</b>		
G: Were standard working hours over 48 hours per week found?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	G1: If yes, % of workers & frequency:
H: Any local waivers/local law or permissions which allow averaging/annualised hours for this site?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	H1: If yes, please give details: NA
<b>Overtime Hours worked</b>		
I: Actual overtime hours worked in sample (State per day/week/month)	Highest OT hours: May 2020: 02 / 02 / 04 hours January 2020: 02 / 08 / 20 hours August 2019: 02 / 08 / 18 hours	
J: Combined hours (standard or contracted + overtime hours = total) over 60 found? Please give details:	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	
K: Approximate percentage of total workers on highest overtime hours:	May 2020: 01% January 2020: 11% August 2019: 08 %	
L: Is overtime voluntary?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> Conflicting Information	L1: Please detail evidence e.g. Wording of contract / employment agreement / handbook / worker interviews / refusal arrangements:
<b>Overtime Premiums</b>		



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



## 7: No Discrimination is Practiced

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

### ETI

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

### Current Systems and Evidence Examined

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

#### Current systems:

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

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

##### Details:

- The hiring and termination procedure leave application records and employee handbook.
- Payrolls
- Attendance records
- Termination records
- Training records

Any other comments: Nil

A: Gender breakdown of Management + Supervisors (Include as one combined group)	A1: Male: <u>100</u> % A2: Female <u>00</u> %
B: Number of women who are in skilled or technical roles e.g. where specific	Nil



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

Professional Development	
A: What type of training and development are available for workers?	All workers are given Health and safety trainings.
B: Are HR decisions e.g. promotion, training, compensation based on objective, transparent criteria?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No  If no, please give details:

Non-compliance: Nil	
<b>1. Description of non-compliance:</b> <input type="checkbox"/> NC against ETI <input type="checkbox"/> NC against Local Law <input type="checkbox"/> NC against customer code:  <b>Local law and/or ETI requirement:</b>  <b>Recommended corrective action:</b>  <b>2. Description of non-compliance:</b> <input type="checkbox"/> NC against ETI <input type="checkbox"/> NC against Local Law <input type="checkbox"/> NC against customer code:	<b>Objective evidence observed:</b> <i>(where relevant please add photo numbers)</i>



<p><b>Local law and/or ETI requirement:</b></p> <p><b>Recommended corrective action:</b></p>	
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Observation: Nil	
<p><b>Description of observation:</b></p> <p><b>Local law or ETI requirement:</b></p> <p><b>Comments:</b></p>	<p><b>Objective evidence observed:</b></p>

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



## 8: Regular Employment Is Provided

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

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

### ETI

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

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

### Additional Elements: Responsible Recruitment

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

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

8.5 Employment agencies must only supply workers registered with them.

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

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

## Current Systems and Evidence Examined

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

### Current systems:

- During audit it was noted that employment in the factory is based on recognised employment relationship established through national labour law & regulations.
- No casual and seasonal were found hired in the factory during document review, facility visit and workers interview.
- No labour contractor / agency is in use, all workers are facilities employed.

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

### Details:

- Hiring policy & procedure
- Worker interviews
- Personal file review
- Payroll & time records

Any other comments: NIL



Non-compliance: Nil	
<p><b>1. Description of non-compliance:</b>  <input type="checkbox"/> NC against ETI      <input type="checkbox"/> NC against Local Law      <input type="checkbox"/> NC against customer code:</p> <p>Local law and/or ETI requirement:</p> <p>Recommended corrective action:</p>	<p><b>Objective evidence observed:</b>            (where relevant please add photo numbers)</p>
<p><b>2. Description of non-compliance:</b>  <input type="checkbox"/> NC against ETI      <input type="checkbox"/> NC against Local Law      <input type="checkbox"/> NC against customer code:</p> <p>Local law and/or ETI requirement:</p> <p>Recommended corrective action:</p>	

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

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

## Responsible Recruitment

All Workers	
<p>A: Were all workers presented with terms of employment at the time of recruitment, did they</p>	<p><input checked="" type="checkbox"/> Terms &amp; Conditions presented  <input checked="" type="checkbox"/> Understood by workers  <input checked="" type="checkbox"/> Same as actual conditions</p>



understand them and are they same as current conditions?	A1: If any are unchecked, please describe finding and specific category(ies) of workers affected:	
B: Did workers' pay any fees, taxes, deposits or bonds for the purpose of recruitment/placement?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No B1: If yes, please describe details and specific category(ies) of workers affected:	
C: If yes, check all that apply:	<input type="checkbox"/> Recruitment / hiring fees <input type="checkbox"/> Service fees <input type="checkbox"/> Application costs <input type="checkbox"/> Recommendation fees <input type="checkbox"/> Placement fees <input type="checkbox"/> Administrative, overhead or processing fees <input type="checkbox"/> Skills tests <input type="checkbox"/> Certifications <input type="checkbox"/> Medical screenings <input type="checkbox"/> Passports/ID's <input type="checkbox"/> Work / resident permits <input type="checkbox"/> Birth certificates <input type="checkbox"/> Police clearance fees <input type="checkbox"/> Any transportation and lodging costs after employment offer <input type="checkbox"/> Any transport costs between work place and home <input type="checkbox"/> Any relocation costs after commencement of employment <input type="checkbox"/> New hire training / orientation fees <input type="checkbox"/> Medical exam fees <input type="checkbox"/> Deposit bonds or other deposits <input type="checkbox"/> Any other non-monetary assets <input type="checkbox"/> Other – C1: If other, please give details:	
D: If any checked, give details:	NA	

Migrant Workers:		
<i>The term "migrant worker" refers to a person who is engaged or has been engaged in a remunerated activity in a country of which they are not a national or permanent resident or has purposely migrated on a temporary basis to another in-country region to seek and engage in a remunerated activity</i>		
A: Type of work undertaken by migrant workers:	No migrant worker employed at facility.	
B: Please give details about recruitment agencies for migrant workers:	B1: Total number of (in country recruitment agencies) used:  B2: Total number of (outside of local country) recruitment agencies used:	
C: Are migrant workers' voluntary deductions (such as for remittances) confirmed in writing by the worker and	<input type="checkbox"/> Yes <input type="checkbox"/> No C1: Please describe finding:	C2: Observations:



is evidence of the transaction supplied by the facility to the worker?		
D: Are Any migrant workers in skilled, technical, or management roles  <i>Migrant Workers (this should include all migrant workers including permanent workers, temporary and/or seasonal workers)</i>	<input type="checkbox"/> Yes <input type="checkbox"/> No  D1: If yes, number and example of roles:	

## NON-EMPLOYEE WORKERS

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



Agency Workers (if applicable)	
<i>(workers sourced from a local agent who are not directly paid by the site, but paid by the agency, Usually the agencies are paid by the site and the wages of the individual workers are paid by the agency.)</i>	
A: Number of agencies used (average):	A1: Names if available: Nil
B: Were agency workers' age / pay / hours included within the scope of this audit?	<input type="checkbox"/> Yes <input type="checkbox"/> No
C: Were sufficient documents for agency workers available for review?	<input type="checkbox"/> Yes <input type="checkbox"/> No
D: Is there a legal contract / agreement with all agencies?	<input type="checkbox"/> Yes <input type="checkbox"/> No  D1: Please give details:
E: Does the site have a system for checking labour standards of agencies? If yes, please give details.	<input type="checkbox"/> Yes <input type="checkbox"/> No  E1: Please give details:

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



### 8A: Sub-Contracting and Homeworking

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

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

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

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

*Note to auditor on homeworking:*

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

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

### Current Systems and Evidence Examined

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

#### Current systems:

- Based on site visit, worker & management interviews and document review, it was observed that facility does not subcontract any of its operations.

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

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

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

Process Subcontracted	Process 1	Process 2
Name of factory		
Address		

Process Subcontracted	Process 3	Process 4
Name of factory		
Address		

Process Subcontracted	Process 5	Process 6
Name of factory		
Address		

Details:



Non-compliance: Nil	
<p><b>1. Description of non-compliance:</b></p> <p><input type="checkbox"/> NC against ETI/Additional Elements <input type="checkbox"/> NC against Local Law</p> <p><input type="checkbox"/> NC against customer code:</p> <p><b>Local law and/or ETI /Additional Elements requirement:</b></p> <p><b>Recommended corrective action:</b></p> <p><b>2. Description of non-compliance:</b></p> <p><input type="checkbox"/> NC against ETI/Additional Elements <input type="checkbox"/> NC against Local Law</p> <p><input type="checkbox"/> NC against customer code:</p> <p><b>Local law and/or ETI requirement:</b></p> <p><b>Recommended corrective action:</b></p>	<p><b>Objective evidence observed:</b> (where relevant please add photo numbers)</p>

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

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

Summary of sub-contracting – if applicable	
<input checked="" type="checkbox"/> Not Applicable please x	
<p>A: Has the auditor made a simple calculation to compare capacity with workers' work load in order to</p>	<p><input type="checkbox"/> Yes</p> <p><input type="checkbox"/> No</p> <p>A1: Please describe:</p>



identify possible unrecorded work or undeclared sub-contracting	
B: If sub-contractors are used, is there evidence this has been agreed with the main client?	<input type="checkbox"/> Yes <input type="checkbox"/> No B1: If <b>Yes</b> , summarise details:
C: Number of sub-contractors/agents used:	
D: Is there a site policy on sub-contracting?	<input type="checkbox"/> Yes <input type="checkbox"/> No D1: If <b>Yes</b> , summarise details:
E: What checks are in place to ensure no child labour is being used and work is safe?	

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



**9: No Harsh or Inhumane Treatment is Allowed**  
[\(Click here to return to summary of findings\)](#)

**ETI**

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

Additional elements:

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

A: Are there published, anonymous and/or open channels available for reporting any violations of Labour standards and H&S or any other grievances to a 3 <sup>rd</sup> party?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No A1: Please give details: Complaint and suggestion boxes are mounted at different locations for grievance reporting.
B: If <b>Yes</b> , are workers aware of these channels and have access? Please give details.	Purpose of complaint and suggestion boxes is known to all workers.
C: If yes, what type of mechanism is used e.g. hotline, whistle blowing mechanism, comment box etc. Please give details.	Complaint and suggestion boxes
D: Which of the following groups is there a grievance mechanism in place for?	<input checked="" type="checkbox"/> Workers <input type="checkbox"/> Communities <input type="checkbox"/> Suppliers <input type="checkbox"/> Other D1: Please give details:
E: Are there any open disputes?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No E1: If yes, please give details
F: Does the site encourage its business partners (e.g. suppliers) to provide individuals and communities with access to effective grievance mechanisms (e.g. helplines or whistle blowing mechanism)?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No F1: If no, please give details
G: Is there a published and transparent disciplinary procedure?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No G1: If no, please explain
H: If yes, are workers aware of these the disciplinary procedure?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No H1: If no, please give details



I: Does the disciplinary procedure allow for deductions from wages (fines) for disciplinary purposes (see wages section)?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No  I1: If yes, please give details
---	---

<p align="center"><b>Current Systems and Evidence Examined</b></p> <p><i>To complete 'current systems' Auditors examine policies and written procedures in conjunction with relevant managers, to understand, and record what controls and processes are currently in place e.g. record what policies are in place, what relevant procedures are carried out, who is /are responsible for the management of this item of the code. Evidence checked should detail any documentary or verbal evidence shown to support the systems.</i></p>
<p><b>Current systems:</b></p> <ul style="list-style-type: none"> <li>➤ According to the documentation, the factory management had established a disciplinary procedure for workers' misbehavior which included oral warning, written warning and finally termination and the site, had developed a training program for all employees on the procedure. Worker interview confirmed that workers were aware of the disciplinary procedure.</li> <li>➤ As per management interview, document review and workers interview, there was a policy on Harsh Treatment which was communicated to all workers through awareness sessions and display at notice boards.</li> <li>➤ There is an internal process for grievance, which is an anonymous compliant and suggestion box, where workers can report any grievances (harassment, bullying, discrimination etc.); any received complaint will be handled by management, without any reprisal for the worker in question.</li> </ul> <p>Any other comments:</p> <ul style="list-style-type: none"> <li>➤ The relevant policy on prevention of harassment and abuse</li> <li>➤ Internal grievance procedure documentation.</li> <li>➤ Training records</li> </ul> <p>Any other comments: Nil</p>

<b>Non-compliance: Nil</b>	
<p><b>1. Description of non-compliance:</b></p> <p><input type="checkbox"/> NC against ETI      <input type="checkbox"/> NC against Local Law      <input type="checkbox"/> NC against customer code:</p> <p><b>Local law and/or ETI requirement:</b></p> <p><b>Recommended corrective action:</b></p> <p><b>2. Description of non-compliance:</b></p> <p><input type="checkbox"/> NC against ETI      <input type="checkbox"/> NC against Local Law      <input type="checkbox"/> NC against customer code:</p>	<p><b>Objective evidence observed:</b>  <i>(where relevant please add photo numbers)</i></p>



<p>Local law and/or ETI requirement:</p> <p>Recommended corrective action:</p>	
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Observation: Nil	
<p>Description of observation:</p> <p>Local law or ETI requirement:</p> <p>Comments:</p>	<p>Objective evidence observed:</p>

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



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

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

### Additional Elements

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

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

### Current Systems and Evidence Examined

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

#### Current systems:

- No migrant worker employed.

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

#### Details:

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

Any other comments: NIL

### Non-compliance: Nil

#### 1. Description of non-compliance:

☐ NC against ETI/Additional Elements

☐ NC against Local Law

☐ NC against customer code:

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

**Recommended corrective action:**

#### 2. Description of non-compliance:

☐ NC against ETI/Additional Elements

☐ NC against Local

☐ NC against customer code:

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

**Recommended corrective action:**

#### Objective evidence

**observed:**

(where relevant please add photo numbers)



Observation: Nil	
<b>Description of observation:</b>  <b>Local law or ETI/Additional Elements requirement:</b>  <b>Comments:</b>	<b>Objective evidence observed:</b>

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



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

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

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

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

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

### Current Systems and Evidence Examined

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

- Factory has established environmental policies and procedures (CSR/2/028).
- Factory has conducted environmental impact assessment of all departments and has defined procedure to conduct environmental impact assessment.
- Facility has obtained environmental approval (Ref # DD (EIA)/EPA/F-115(IEE)/2017/0263/270) from Environment Protection Department dated 27th October 2017.
- Facility has waste management policy and procedure; factory has contract with "A.T Waste Management" for disposal of hazardous & non-Hazardous waste from factory. Factory ensures to prevent releases of harmful waste in the environment.
- Factory has obtained gaseous emission reports (Ref # SEAL/BTL/28/38/016VE, SEAL/BTL/28/38/015VE, SEAL/BTL/28/38/014VE, SEAL/BTL/28/38/017SE, SEAL/BTL/28/38/013SE, SEAL/BTL/28/38/012SE) of boilers and generators from Solution Environmental & Analytical Laboratory dated 6th June 2020 Results were noted in accordance with NEQS permissible Limit.
- Facility has obtained noise level tests report from Solution Environmental & Analytical Laboratories SEAL/BTL/28/38/021 NM. Average noise level is 65 to 77 db in production floor while average noise level at stitching, processing and generator area is 108 db. Ear plugs and ear muffs have been provided where needed.
- Factory has obtained LUX level monitoring report SEAL/BTL/28/38/019 LM, Ambient Air quality monitoring report SEAL/BTL/28/38/024 AA from Solution Environmental & Analytical Laboratory on June 9<sup>th</sup>, 2020.
- Factory has installed 04 Boilers, facility has obtained boiler registration / inspection reports from Directorate of Industrial Punjab Lahore (Boiler inspection wing).
  - (Boiler # PB-6933 dated November 11, 2019 valid till 15th November 2020)
  - (Boiler # W-3355 dated October 10, 2019 valid till October 1, 2020)
- Facility has installed effluent treatment plant with capacity of 65 m<sup>3</sup>/ hour. Factory conducts monthly analysis of Effluent Water from National Institute for Biotechnology and Genetic Engineering (NIBGE), Soil and Environmental Biotechnology Division (Last was conducted on dated June 9, 2020 having Report ref # NIBGE/PIBS/SEBD/BTL/2020/2712). Results were within NEQS permissible limit.

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

Details:

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

Any other comments: NIL



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Non-compliance: Nil	
<p><b>1. Description of non-compliance:</b>  <input type="checkbox"/> NC against ETI/Additional Elements      <input type="checkbox"/> NC against Local Law</p> <p><b>Local law and/or ETI/Additional Elements requirement:</b></p> <p><b>Recommended corrective action:</b></p> <p><b>2. Description of non-compliance:</b>  <input type="checkbox"/> NC against ETI/Additional Elements      <input type="checkbox"/> NC against Local Law</p> <p><b>Local law and/or ETI/Additional Elements requirement:</b></p> <p><b>Recommended corrective action:</b></p>	<p><b>Objective evidence observed:</b>  <i>(where relevant please add photo numbers)</i></p>

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

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



## Photo Form

		
Main Entrance	Printing Department	Sampling Section
		
Production Building	Folding Section	Drinking Water Point
		
Fire Point	Mending Section	First Aid Box
		



Social Policies Display	Quilting Section	Dormitory
		
Canteen	Cutting Section	Evacuation Plan
		
Smart Mart Stitching Section	Checking Section	Stitching Department
		
NC 1: Processing Employees Working without Safety Shoes	NC 2: Workers performing Welding work without Eye Shield / goggles	NC 3: Appropriate Surgical cotton for medical purpose not provided



		
NC Status Closed in desk top review dated 13-07-2020: PPEs training provided to workers	NC Status Closed in desk top review dated 13-07-2020: PPEs training provided to workers	NC Status Closed in desk top review dated 13-07-2020: PPEs training provided to workers
		
NC Status Closed in desk top review dated 13-07-2020: PPEs training provided to workers	NC Status Closed in desk top review dated 13-07-2020: Surgical cotton provided in all first aid boxes	NC Status Closed in desk top review dated 13-07-2020: Risk Assessment of newly added process of stitching
		
NC Status Closed in desk top review dated 13-07-2020: Workers performing Welding work without Eye Shield / goggles	NC Status Closed in desk top review dated 13-07-2020: Workers performing Welding work without Eye Shield / goggles	NC Status Closed in desk top review dated 13-07-2020: Training on emergency protocols provided to workers





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

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

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