

Sedex Members Ethical Trade Audit (SMETA) Best Practice Guidance

(Version 2.2, September 2010)



Sedex Members Ethical Trade Audit (SMETA) Best Practice Guidance Version 2.2, September 2010, replaces Version 2.1. January 2009 This best practice guidance for conducting ethical trade audits was developed by the current members of the Sedex Associate Auditor Group (AAG).

This document is intended to supplement the knowledge of experienced, trained ethical trade auditors; it is not intended to be used as a stand-alone, complete set of instructions.

Sedex Members Ethical Trade Audit

Executive Summary

BACKGROUND

This common Best Practice Guidance was developed by the Sedex Associate Auditor Group (AAG) in response to the challenge from Sedex members to provide a report format for ethical trade audits that could more easily be shared and to give greater transparency into the auditor qualifications and practices that underpin reports.

This version 2.2. September 2010 replaces the previous version 2.1. January 2009.

The changes made reflect the continuous development of the SMETA process and take account of the changing needs of Sedex members.

Ethical trade/social audits are commissioned all over the world to various standards. This guidance document is not an attempt to re-invent ethical trade auditing, and it should not be viewed as a new methodology for ethical trade auditing. Rather, it is an attempt to compile the best of current practices.

CONTENTS

This guidance is not intended to be used as a stand-alone document to conduct an audit, but rather as a common set of criteria to supplement professional audit companies' own systems.

This document describes the key steps from pre-audit communication and audit planning through to the conduct of the audit itself and reporting. It forms part of a group of SMETA (Sedex Members Ethical Trade Audit) guidance documents.

Available on the public section of the Sedex web site and available for public use:

- SMETA Best Practice Guidance (this document) Version 2.2. September 2010 which replaces Version 2.1. January 2009.
- SMETA Report Version 2.4. June 2010, replaces Version 2.3. April 2009.
- SMETA CAPR Version 2.4. June 2010, replaces Version 2.3. April 2009.

Available on the members section of the web site (for wider consultation). After a period of consultation with members it is intended to make these documents available for public use, in the interests of convergence.

- Guide to Social Systems Auditor Competencies - requirements that third party auditors should meet to conduct best practice ethical trade audits.
- Non Compliance Guidance which suggests ratings of issues and verification methods.
- Corrective Action Guidance: which suggests ways in which supply chains may make improvements.

This guidance is based on best practice in the field of ethical trade audits conducted by third-party auditors and relies heavily on the controls that already exist within third-party audit firms that are accredited to a quality management system such as ISO9001:2008 or, more preferably ISO17021:2006 (the accreditation standard for audit bodies).

Guidance is also taken from the reference documents produced by the Global Social Compliance Program (GSCP) www.ciesnet.com/2-wwedo/2.2-programmes/2.2.gscp.background.asp

USAGE

This best practice guidance document is designed with the following uses in mind:

1. To provide Sedex 'A' and 'AB' Members who are being presented with SMETA audit reports with an overview of the recommended methods employed in the conduct of ethical trade audits.
2. To be used by third-party audit firms, together with their own more detailed internal rules and procedures, to ensure that audits undertaken against this best practice guidance follow a common set of criteria, thus making it easier for audit reports to be shared by multiple retailers/brands.
3. It is recommended that Sedex members commissioning audits should assure themselves of the qualifications of the auditors and their ability to meet the requirements set out in this document.

APPLICATION

SMETA provides experienced ethical trade/social auditors with a template for conducting ethical trade audits that will meet the requirements of multiple retailer and brand members of Sedex.

Companies who are not members of Sedex are able and encouraged to use SMETA as well. Any deviations from this best practice guidance must be noted and recorded in the report in the appropriate place.

SMETA principles are applicable both in developed and developing countries, for suppliers and production sites in various sectors: clothing, food, packaging, toys, etc.. In addition, supplements are in preparation for service companies and to broaden the scope of audit to include environment and business integrity.

REVIEW

This SMETA Best Practice Guidance has been widely used by Sedex members over the last two years and feedback has been invited from all Sedex members including from Sedex B members who have undergone SMETA audits.

NGOs and other stakeholders have also been consulted through a stakeholder engagement process.

In line with the remit of the AAG all feedback has been reviewed and considered resulting in this latest revision (September 2010).

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Section 1: Audit Planning

1.0 PRE-AUDIT COMMUNICATION

1.0.1 AUDIT REQUEST

The client contacts the audit body to request an audit. The audit body provides them with an “Application Form” so that required details are obtained from the client to effectively plan and execute the audit and to provide a quotation. Information required should include but not be limited to:

- Site location Details.
- Number and make-up of workforce.
- Sedex members supplied by the facility (to establish whether other requirements apply e.g. semi-announced audit, recognised auditors etc.).
- Any requests concerning date of audit.

More detailed information can then be sought once the audit is booked as described under 1.0.3.

1.0.2 QUOTE GENERATION AND BASIC AUDIT INFORMATION

The audit company supplies the client with a quotation for the service and contract details for approval. Details within the quote for approval shall contain but not be limited to the following:

- Fee for the audit.
- Expenses.
- Any fees relating to upload of the report to the Sedex database if applicable.
- Date of audit or date of when this will be known.
- Audit length.
- Report receivers.
- Third-party report release approval.

1.0.3 PREPARING FOR AN AUDIT – OVERVIEW OF TYPICAL PRE AUDIT ACTIVITIES

1.0.3.1 Actions for the Auditor

Once a SMETA audit is booked on a site, the auditor should forward the following information to the site:

- The standard code and local law that apply.
- Audit scope.
- List of documentation that is to be available on the day of the audit.
- Key people to be available on the day of the audit, eg. management personnel, union or workers committee representatives, Health and safety representative, payroll and Human Resources representative.
- Principles of employee interviews.
- Confidentiality / Data Protection.
- Standard information regarding Sedex and this Best Practice Guidance.
- Non Compliance Process.
- Worker Education Materials (leaflets or DVD) the ETI Base Code requires that all employee are fully aware of the code.
- Audit Agenda / Timetable.
- Report receivership especially any 3rd parties.

Sedex Self Assessment Questionnaire

Before carrying out an audit using the SMETA methodology, the auditor should request access to the production site's Self Assessment Questionnaire at the same time that they request the audit on the system. The SAQ provides an overview of the site to the auditor and contains answers to questions based on Labour Standards, Health and Safety, Business Integrity and Environment. Production site details as provided on Sedex, are:

- Site details.
- Company name/address/email address/telephone and fax numbers.
- Contact name/position.
- Description of product(s)/service(s).
- Description of location.
- Working hours of facility (not currently a question on Sedex).
- Total number of all employees and employee types (full time, temporary, homeworkers, agency etc.), shift details, specific activities (such as date of pay day, medical evaluations), which may be of importance for seasonal variations and exceptional business circumstances.
- Details of peak/low seasons.
- Breakdown of workforce to include: spoken languages, nationalities, gender.

- Existence of other management systems.
- Names of management representative and workers' representative.
- Any details of local organisations that the production site is involved with (Trade Unions / NGO's etc).
- Type of audit requested (standard, special scheme, retailer).
- Scope of audit requested i.e. does it include Environment and Business Integrity.
- Payee of the audit.

If the site does not wish to give access to the SAQ, the auditor can obtain the necessary information by other means, but this should be noted in the appropriate place in the report. If the pre-audit information requested from the client is not provided in advance then the audit should not normally take place. When requesting information the auditor should be clear that this is necessary for the audit to take place and detail a date of when this information is required by.

The standard ETI letter, part of the Briefing for the ETI Risk Assessment Guide, can be used for the pre-audit communication.

Suppliers should also be directed to the additional guidance available on Sedex, - As detailed above under "Contents ". This will assist them in preparing for the audit and give as them further guidance for handling any issues found as a result.

1.0.3.2 Actions for the Site

After the site has received the above information from the auditor they should plan their own input to the audit. This will include, but not be limited to:

- All site management should be briefed prior to the audit, to guarantee they understand the scope of the audit and what is required from each department.
- All site management should be instructed on the importance of having the correct key personnel and documentation available on the day of the audit (see above) and understand the importance of releasing personnel for interviews on time.
- A quiet room free from interruptions and large enough to accommodate both group and individual interviews should be reserved for the auditors use through out the audit (this should be a place where workers will feel comfortable, near a canteen or a workers' area is preferred).
- Union or other worker representatives should be briefed about the audit and to ensure their availability and understanding.
- The workforce should be informed about the audit including the code to which the audit is conducted. Personnel should be given Worker Education Materials (leaflets or DVD) as the ETI Base Code requires that all employees are fully aware of the code.
- There should be a contact within the site for the workforce if they have any questions or worries about the audit e.g. HR Manager.
- Any Labour Providers (agency) the site uses should be informed about the audit and make sure they understand the importance of having the correct key personnel and documentation available on the day.
- Any questions or points the site may have about the audit should be referred to the auditor for clarification.
- The site should prepare all relevant documents in advance of the visit – see 1.0.3.3. opposite.

1.0.3.3 Required Document List

To assist with these preparations the auditor should provide a list of typical documents that should be made available to the audit body on the day of the audit: The site should prepare these in advance of the audit.

- Facility floor plan.
- Applicable laws and regulations.
- Labour contracts.
- Employee handbook (terms and conditions of employment).
- Collective Bargaining Agreements (CBA).
- A list of all the chemicals and solvents used on this site.
- Permits, operating licences, Certificates of Operations, etc.
- Government Inspection Reports, e.g, sanitation, fire safety, structural safety, environmental compliance, etc.
- Machinery inspection/service logs.
- Accident and injury log.
- Emergency action procedures.
- Evacuation plan.
- Time records for the past 12 months.
- Payroll records for past 12 months.
- Piece rate records for the past 12 months (if applicable).
- Insurance, tax and other required receipts.
- Production records.
- Minutes of joint committees on OHS and disciplinary matters.
- Previous ethical trade audit reports/Corrective Action logs.

Facility policies:

- Child labour.
- Wage and hours of work.
- Disciplinary.
- Benefits and allowances.
- Health and Safety.
- Environment.
- Training.
- Discrimination and harassment.
- Homeworkers, Outworkers and Sub-contractors.

1.0.4 SUMMARY OF TYPICAL AUDITOR ACTIVITIES

- Initiating the audit.
 - Appointing the audit team leader.
 - Defining the audit objectives, scope and criteria.
 - Determining the feasibility of the audit.
 - Selecting the audit team.
 - Establishing initial contact with the auditee.
- Conducting document review.
 - Reviewing relevant management system documents, including records, and determining their adequacy with respect to audit criteria.
- Preparing for the on-site audit activities.
 - Preparing the audit plan.
 - Assigning work to the audit team.
 - Preparing work documents.

In preparing for the audit, the breakdown of the audit team, audit plan should take account of the risks already identified from the information received.

The overview of typical audit activities is based on the BS EN ISO 19011:2002 guidelines, Figure 2, page 10, in the document: “Guidelines for quality and/or environmental management systems auditing”.

1.1 AUDIT LENGTH

Below is a man-day table for a best practice ethical trade audit, based on the number of employees, and recommending the number of individual and group worker interviews.

The table excludes audit preparation, travel, Sedex “report uploading time” and report writing, but includes production of a CAP (Corrective Action Plan) on site.

The provisions of the audit apply equally to permanent, contract agency and migrant workers. For best practice ethical trade audits, worker interviews must include a representative sample of people and departments within the production site including agency and migrant workers. These suggested man-days are only guidelines. Auditors use their discretion and consider industry, location, and individual facility knowledge when defining the number of employees to interview.

1.1.1 SAMPLE SIZE AUDIT DAYS FOR FULL INITIAL AND RE-AUDIT

Audit Days	No. of Workers (excl. Managers)	Individual Interviews	Group Interviews	Total Employees Interviewed	Worker Files/ Time and Wage Records	Effective Time Spent on Interviews
1	1-100	6 (or total number of workers if <5)	1 group of 4	10	10	2.5 hours
2	101-500	6	4 groups of 5	26	26	6 hours
3	501-1000	12	6 groups of 5	42	42	8.5 hours
4	1001-2000	20	8 groups of 4	52	52	12.5 hours
TBC	>2000					

Exceptions:

- If a site has more than 2000 workers, the number of interviews is determined on a case by case basis depending on the circumstances of the facility.
- For primary producers consideration should be given to the size and spread and the number of growing locations to ascertain man days required.

1.1.2 SOME DETAILED GUIDANCE

- The ratio of individual and group interviews is for guidance only, and may be modified depending on circumstances, but the total number should be adhered to. Where this is not possible clear explanation for a lower number of interviews should be given in the report.
- The time spent on interviews has been based on an estimation of 15 minutes for individual interview with no issues, 30 minutes for individual interview where issues are raised. Group interviews are estimated at 45 minutes taking into account the additional time to get workers to attend and to give everyone an opportunity to express themselves. This length is only a guideline/suggested minimum. Auditors will rely on their training and experience to determine the length of actual interviews with individual employees. If issues are uncovered with a particular worker, the interview will be extended to fully explore the issue. Alternatively, if workers are consistently providing the same information, interviews may be the minimum timeframe.
- Total time and wage records are selected from peak and current periods. The records for the workers who have taken part in individual interviews should always be checked with the remainder coming from the broader pool of employees. In countries where Data Protection laws apply, permission should be obtained in order to review records.
- In addition to the sampling in the table above, a full 12 months wage and hours records should be reviewed for a relevant sample dependent on the risks of the country and industry. However as a minimum 10 records or 1% of the workforce if above 1,000 workers should be reviewed.
- In order to supplement the individual and group interviews, auditors may choose to also provide a written survey to a large number of workers on site. The usefulness of written questionnaires is dependent upon the literacy level of workers.

1.2 AUDIT PLANS

Audits should be planned to take place at a time that is truly representative of the sites activities e.g. During peak production or harvesting.

1.2.1 EXAMPLE PROGRAMME FOR 1 AUDIT DAY ETHICAL TRADE AUDIT

Example 50 workers

- 09:00 Opening meeting (management team including H&S, environmental, union and HR representatives)
- 09:30 Site Tour (H&S rep. and environmental rep. to be available); Health and Safety, including selection of six employees for interviews
- 10:30 Employee interviews (six interviews). Also including union representative interview
- 12:30 HR documentation (handbooks/employee files/payroll/time records)including paperwork (when authorised) of those individuals interviewed
- 13:00 Lunch
- 13:30 Further review of payroll/time/employee files if required
- 14:15 H&S documentation and group interview (one group of four people)
- 15:15 Auditors prepare CAP report for closing meeting
- 16:00 Closing meeting with management team: raise findings, best practice and issues with management
- 17:00 Finish

Notes: Guideline for duration interviews: 15 minutes for individual interviews, 45 minutes for group interview, 30 minutes for union interview (As stated above, this length is only a guideline/ suggested minimum. Auditors will rely on their training and experience to determine the length of actual interviews with individual employees).

1.2.2 EXAMPLE PROGRAMME FOR 2 AUDIT DAY ETHICAL TRADE AUDIT

Two auditors over one day – example 500 workers

- 9:00 Opening meeting (management team including H&S, environmental, union and HR representatives)
- 9:30 Site tour (H&S rep. and environmental rep. to be available) Health and Safety, including selection of employees for interviews. Both auditors
- 10:35 Individual employee interviews (five total, fifteen minutes each), including one union representative interview of thirty minutes. Both auditors to conduct interviews according to skill set
- 12:00 Both auditors. HR documentation (handbooks/employee files/payroll/time records) including paperwork (when authorised) of those individuals interviewed. Both auditors, six records each, 12 total
- 12:45 Lunch
- 13:15 Group employee interviews and remaining individual interview split between auditors as per skill set
- 15:30 H&S documentation and further tour/interviews if required. One auditor for documentation, one for interviews, depending on skill set
- 16:30 Auditors to prepare CAP report for closing meeting. Both auditors
- 17:00 Closing meeting with management. Both auditors and management: raise findings, best practice and issues with management

Notes: guideline for duration interviews: 15 minutes for individual interviews, 45 minutes for group interview, 30 minutes for union interview. (As stated above, this length is only a guideline/suggested minimum. Auditors will rely on their training and experience to determine the length of actual interviews with individual employees).

1.2.3 EXAMPLE PROGRAMME FOR 2 PERSON 2 DAY ETHICAL TRADE AUDIT

One auditor over two days – example 150 workers

Day 1:

- 9:00 Opening meeting (management team including H&S, environmental, union and HR representatives).
- 9:30 Site tour (H&S rep. and environmental rep. to be available) Health and Safety, including selection five employees for interviews.
- 10:30 Individual employee interviews (four total, fifteen minutes each), including one union representative interview of thirty minutes.
- 13:00 Lunch.
- 13:30 Group employee interviews (four groups of five people) each auditor one group, and remaining individual interviews (two total, fifteen minutes each).
- 15:30 H&S documentation and further tour/interviews if required.
- 16:30 Raise findings, best practice and issues with management, with presentation of plan for the next day.

Day 2:

- 09:00 HR documentation (handbooks/employee files/payroll/time records) including paperwork (when authorised) of those individuals interviewed.
- 11:00 Further review of payroll/time/employee files if required.
- 13:00 Review H&S documentation and further tour/interviews if required.
- 15:00 Auditor to prepare CAP report for closing meeting.
- 16:00 Closing meeting with management: raise findings, best practice and issues with management.
- 17:00 Finish.

Notes: guideline for duration interviews: 15 minutes for individual and group interviews, 30 minutes for union interview. (As stated above, this length is only a guideline. Auditors will rely on their training and experience to determine the length of actual interviews with individual employees).

1.3 FOLLOW-UP AUDIT PROCESS

Follow-Up Table:

Audit Days	No. of workers	
1	1-100	During the follow-up audit a sample of interviews and record review will take place. The sample size of these reviews will be determined by nature and corrective actions being verified.
1	101-500	
1	501-1000	
2	1001-2000	
TBC	>2000	

A follow-up audit is **only** required when corrective action cannot be verified via evidence supplied through “desktop” review only.

If the corrective action evidence **cannot** be effectively verified by desktop review then a follow-up audit is required. Examples of such issues would include working hours and wage related issues, non-compliances raised as a result of evidence from employee interviews.

The follow-up is not a full audit, but a shorter visit to verify if corrective actions have been taken in response to a full initial audit. A minimum of 3 months new records need to be available for review prior to verification of corrective actions for wages and hours. Even in the event that wage and hours non-compliances are not being followed up, employee interviews and hours of work and payroll review should still be undertaken. However, the sampling numbers will be lower than for a full audit.

At this point, the follow-up report is issued. This is an updated version of the original report with all new elements highlighted so as to be clearly seen. The number of interviews conducted and records checked must be clearly stated.

For all sections where non-compliances have previously been raised there should be a clear explanation of the evidence reviewed, comments on applicability and effectiveness and whether the issue is now considered closed or remains open.

If new non-compliances are found these should also be indicated and be highlighted.

These should detail:

- Description of non-compliance.
- Local law/CoC requirement.
- Recommended corrective action.
- Objective evidence observed.

A new CAP is issued, in conjunction with those present at closing meeting, listing open non-compliances and any new non-compliances.

1.4 AUDITOR ALLOCATION

1.4.1 NOMINATED AUDIT TEAM

The audit planning ensures that:

- The team is led by a qualified team leader.
- The team includes at least one SA auditor who meets the criteria of the SMETA Auditor Competencies.
- The team possesses or has access to knowledge of local working conditions. This can be obtained through an auditor/specialist possessing that knowledge and through the use of guidance notes.
- The team can communicate in the main languages spoken in the company, both management and workers, Therefore, whenever possible, auditors should speak the language(s) used in the company When that is not possible, translators should be used.
- The Team has as least one member that has knowledge of the applicable industry. This can be via guidance notes.
- All team members shall be qualified under the audit body's quality system.
- Ideally the worker gender balance shall be taken into account when selecting the audit team.
- If a specialist is being used because of the specific nature of the contract, then they should also be qualified under the audit body's quality system.
- If a translator or other external expert is to be used the team leader must ensure that they have satisfied themselves that no conflict of interest arises.

1.4.2 GUIDANCE NOTES

Audit bodies will have access to documented information about working conditions and legislation in that country/region. Local social accountability guidance notes will include identification of local legislation and SA issues. These can be obtained from many different sources including from interested parties, unions, NGOs which will represent the issues related to SA, e.g. child labour, human rights, labour working conditions.

Guidance notes about the specific working conditions and legislation in that country/ region should be reviewed annually.

1.4.3 DETERMINING LIVING WAGE, MINIMUM WAGE, WORKER AGE AND HOURS WORKED

The audit body develops and communicates to the auditors prior to the audit:

- Basic needs wage for a standard working week for a given geographical area (national/regional/local).
- Standard industry minimum wage (if existing).
- Legal minimum wage (if existing).
- Legal working hours.

Obtaining/determining the basic needs wage and working age may be done by several methods or obtained from several sources:

- The SA8000 guidance document, the Basic Needs Formula and the Market Basket Survey.
- National ministries.
- The International Labour Office of the country.
- The World Health Organisation through its local office.
- Local NGOs.

1.4.4 AUDIT ADMINISTRATION

The administration personnel ensure the following activities are undertaken:

- Client is sent “quote/application” form.
- The “quote/application” form is reviewed by a technically approved individual.
- The client is sent the completed “quote” and the basic information regarding the audit.
- Receives quote approval from the client.
- Logs the job and allocates an audit date.
- Agree audit date.
- Notifies client of date.
- Prepares “auditor pack”.
- Receives audit report and CAP from audit team.
- Ensures that report and CAP is reviewed by technically approved individual and sent to client within agreed timeframe.
- Forwards report to applicable recipients and ensures that this is passed to the appropriate people for Sedex upload.
- Archives documents.

1.4.5 AUDITOR TRAINING AND QUALIFICATIONS

In order to ensure that reliance can be placed on the audit process, it is essential that auditors be appropriately qualified.

To assist members in their selection of auditors the AAG have produced a “SMETA Guide to Auditor Competencies” available on the members section of the Sedex web site.

The Technical Manager determines a sample plan for each of their auditors based on the auditor’s experience and past performance from both previous audit reports.

1.4.6 AUDIT BODY MANAGEMENT SYSTEM

The audit body shall, as a minimum be certified against a recognised quality management system, such as ISO9001:2000 and should ideally be accredited to the requirements of Guide 62, 65 or ISO17020.

1.4.7 AUDITOR MONITORING

1.4.7.1 Auditor evaluation

As part of their Continuous Professional Development all auditors are subject to a review and appraisal of their performance. This is achieved by combining a number of activities in part described in the Auditor Competencies guidance, and includes:

- Receive updates and briefings every year.
- Attend an SA full refresher course every two years.
- Regular review of sample documentation submitted by the auditor to office.
- Annual appraisals.
- Annual observed audit (2 observed audits where possible).

1.4.7.2 Quality Control and Global Consistency

These are managed by the following processes:

- Production and implementation of SOPs for all functions related to delivery of the SA audit service.
- Regular training of personnel on those SOPs.
- Ensuring personnel are suitably trained and experienced for their job role and responsibilities.
- Implementation and maintenance of the audit body's management system.
- Implementing and maintaining an internal audit programme.
- Production of KPIs and objectives and targets to ensure continual improvement in service delivery.
- Implementation and maintenance of specific processes to ensure global consistency of service delivery.

These should include:

- Central analysis of clients' SA reports to assess compliance with requirements (central analysis may be based on a sampling approach).
- Feedback loop systems for communication (internally and externally).
- Communication to network of clients' requirements and SOPs.
- Maintenance of technical information and knowledge management.
- Audit performance and communication of required corrective and preventative action.

1.4.8 AUDIT TYPE DEFINITION

Below are the definitions of the different types of audits that may be undertaken when executing an ethical trade audit.

First Party: a supplier audits or assesses his own site using his own auditor resource.

Second Party: Audit undertaken by a retailer/vendor upon the factory/facility.

Third Party (Commercial): Audit undertaken by an independent commercial audit company.

Third Party (NGO): Audit undertaken by an independent NGO.

Third Party (Union): Audit undertaken by an independent trade union.

Multi-stakeholder: an audit carried out by a group of stakeholders including NGO's and /or trade unions where the NGO and/or union has been involved in a shared decision making process on inspection methods.

Section 2: Audit Execution

The aim of the audit is to evaluate the compliance of a facility against the Ethical Trading Initiative Base Code, local law and additional requirements as set out through the following:

- Management interview with reference to company practice.
- A detailed and in-depth review of appropriate documentation and records, based on a sample on the day of audit.
- A tour of the premises.
- Employee interviews of a selected sample of the workforce both individually and in groups, the selection process to include a supervisor and a union representative and/or members of any worker committee.
- Supply of constructive, factual report with emphasis on positive reporting.
- In addition, the findings on the day will be compared to the Self Assessment Questionnaire supplied by the site and any significant differences noted on the report.

2.1 GENERAL AUDIT GUIDELINES

The Auditor should be clear about the report owner and the reviewers of the report and ensure that they conduct the audit in the best interests of all stakeholders in the process.

Auditors should provide sufficient information to allow an informed decision of the compliance status of a facility to be evaluated by the client and reader.

Wherever possible, examples of good practice should be given. It is not sufficient to state that a facility complies with a given clause of the code, but examples should be given to demonstrate compliance and in particular auditors should note additional benefits such as free meals, free transport, private health schemes, etc.

Where a non-compliance is noted, the management must be given an opportunity to respond at the earliest opportunity rather than waiting until the closing meeting as there may be further information available that the auditor should consider. E.g. In instances of inconsistencies in hours, wages or age records – management shall be invited to provide accurate records as soon as inconsistencies start to be discovered.

Issues of a sensitive nature should not be mentioned to the site management if this may place a worker in danger. Where the Sedex “A” member or other principal is known an urgent communication should be sent to that contact to ensure that action or further investigation may be undertaken as appropriate.(see GSCP Audit Reference Documents for a useful tool).

Observations should also be recorded. An observation is defined as a situation or item that is not non-compliance but is an opportunity for improvement or a situation which if not dealt with could lead to a later non-compliance.

2.1.1 EVIDENCE OF COMPLIANCE AND CURRENT STATUS

When a clause of the standard is fully compliant then the auditor should use this area of the report to document how the facility is complying with that requirement. e.g.

If there is no child labour then the auditor should document what systems/controls the facility have in place to prevent child labour.

The principle here is to give the reviewer of the report a clear picture of how the facility is managing this aspect of the Code of Conduct at the time of the audit.

2.1.2 WAIVERS

The acceptance of waivers should be verified and the “loop closed”. For example, if a waiver is presented to allow workers to work in excess of the legal maximum, the auditor should verify that the workers have agreed to such practice and that they are suitably compensated at the correct rates with the application of overtime premiums as required. Details should be documented in the audit report and copies attached. Note any endorsement or certification by local government. Also full details of the waiver and its actual application in the facility should be recorded, ideally in English or as a minimum a brief summary in English of key points within an attachment.

It should be clearly indicated whether non-compliances are contrary to local law as well as the ETI Base Code. The existence and legality of local waivers should be investigated. It should be noted that even if a valid waiver is in place which overrides local law, there could still be a non compliance against ETI base code.

Audit findings may be read by people who have not visited the facility, so findings should be as clear as possible.

2.2 NORMAL AUDIT PROCESS

The on-site audit will usually follow a number of steps:

- Opening meeting.
- Site tour.
- Management interviews and documentary reviews.
- Worker interviews.
- Auditor pre-closing meeting.
- Closing meeting.

2.2.1 OPENING MEETING

The opening meeting is to ensure that the management of the facility being audited understands the purpose of the Code and the requirements against which their facility is being judged, the audit process, the timescales and activities of the audit and to re-confirm requests for information. A worker representative or representative from the Trade Union should be invited to both the opening and closing meetings.

During the opening meeting, the team leader will:

- Introduce the audit team to the facility management.
- Check that all staff are aware of the visit and its purpose and ascertain how the Code has been disseminated internally.
- Present an overview of the ETI Base Code, local law and/or client's CoC (clarify issue/date status).
- Confirm purpose and scope of the audit.
- State that this is not a pass or fail audit process, but about continual improvement.
- Explain the audit process including the facility and audit body's responsibility and the significance of the CAPAR.
- Confirm the confidentiality of the audit and any other recipients of the audit report.
- Confirm the audit programme.
- Explain Sedex process.
- Confirm the availability of office space.
- Confirm who will be guides for the day.
- Arrange for a familiarisation tour of the facility.
- If not already sent, obtain a floor plan of the facility and dormitory(ies).
- Explain that the selection process for employees for interview and that these are confidential.
- Ask when the peak production period is and explain the wage record requirements.
- Obtain a list of chemicals if not previously received.
- Ensure the management understands the purpose of the audit and that it is intended that all issues be closed out at closing meeting.
- Emphasise that the audit is conducted on a sampling basis.
- Check whether any health and safety issues apply and or if any fire drill is expected.
- Invite the management team to the closing meeting.
- Agree tentative time of closing meeting. Ensure that enough time is allowed to re-investigate non-compliances if challenged, i.e. find out what time the workers leave as it may be necessary to re-interview to verify a response.
- Ask the management team if they have any questions.

2.2.2 SITE TOUR

The purpose of the visual assessment is for the audit team to review physical conditions and implemented practices in all areas of the facility to establish evidence that activities are conducted in a manner consistent with the facility policies, stated practice, client code, legal and regulatory requirements and other relevant requirements.

This element primarily comprises a physical review of conditions and activities within the facility. The unstructured interview of personnel responsible for these areas under review and examination of pertinent records supplements this physical review process.

During the site tour, the auditor seeks to meet facility staff/workers including, production managers and support staff; warehousing managers and support staff; engineering staff; facility cleaning and maintenance staff; dormitory supervisors; Health and Safety Manager; clinic/first aid staff; kitchen and security staff. The auditor should not be purely guided by management on areas to visit and should freely investigate all areas that they feel applicable.

During the site tour, the auditor is seeking evidence relating to:

- Health, safety and emergency equipment, working environment and conditions including fire, first aid, mechanical, electrical, hazardous materials, personal protective equipment, etc.
- Evacuation plans and means of egress.
- Approval certificates of the building/construction, equipment and special process operators, as necessary.
- Toilets/sanitation and availability of potable water.
- Visual checking/verification of any child labour (a few questions on-site with workers who look younger or in question).
- Unreasonable restriction on workers' freedoms or rights.
- Selection of individual workers for quick interview on the side.
- Approval certificates of kitchen, as necessary.
- Visual hygiene issues – e.g. food storage areas.
- Visual potable water.
- Canteen and recreational facilities.
- First aid equipment and facilities.
- Availability of trained first aiders and their qualification.
- Review of health and safety accident records and training records.
- Other issues (as required by the client code and/or checklist, e.g. environmental issues, on-site verification of how to handle waste water discharge, solid waste including hazardous wastes disposal, air emission, reuse and recycling, ventilation and general housekeeping).

Where the facility operates dormitories, the site tour includes a visit to these to evaluate:

- Health, safety and emergency equipment, environment and conditions including fire first aid, mechanical, electrical, hazardous materials, etc.
- Evacuation plans and means of egress.
- Physical size, conditions and amenities.

- Approval certificates of the building/construction, equipment, as necessary.
- Hygiene issues – e.g. food storage areas.
- Toilet and potable water, showers availability.
- Dormitory rules.
- Provision to ensure the safety of the workers.
- Unreasonable restriction on workers' freedoms or rights.
- Gender segregation and privacy.

2.2.3 WORKER INTERVIEWS, INCLUDING GROUP INTERVIEWS

2.2.3.1 Selection of workers

Selection of workers will only be undertaken by the audit team. In selection the auditor will consider shift patterns, worker type and gender. The auditor will select from different areas of the site as well as from different job roles, to give a representative sample of the workforce. It may also be appropriate to interview middle managers e.g. Supervisors and department heads.

The interviews must take account of production requirements and must be planned to minimise disruptions to work flows.

Where possible the first round of interviews should take place at the beginning of the audit to give the maximum time to investigate the points raised prior to the closing meeting.

All comments raised at the interviews must be thoroughly investigated before the closing meeting.

2.2.3.2 Interview process

All worker interviews will be conducted in a place selected by the auditor, preferably away from the work stations and in a place where the workers feel comfortable and a relaxed and informal setting can be created.

In addition where the number of workers permits, and in line with sample size requirements a number of group interviews (focus groups) should be conducted.

Note: information about general conditions of work and “what it is like to work here “ will frequently emerge from group interviews.

In group situations questions must be of a general nature and under no circumstances should workers be asked any personal details such as their wages. This type of information is private to the individual. Group interviews aim to discover how the workers feel about working in the facility, what they like and do not like and how the facility compares with others in the region.

2.2.3.3 Interview technique

The interviews must be managed with discretion and empathy, be strictly confidential, and with no management or supervisors present.

Interview techniques should respect cultural norms e.g. Gender specific issues etc.

In all cases good communication skills are required by the auditor and examples of good technique include:

- Auditors dress must aim to make the interviewee comfortable ie. A business suit may not be appropriate in some circumstances.
- The auditor should not sit behind a desk, but if a desk or table is in the room, the auditors should minimise barriers by sitting on the same side as the interviewee.
- Where 2 auditors are conducting interviews together it may be help communication if one auditor takes notes while the other concentrates on establishing a rapport with the interviewee(s).A comfortable relaxed atmosphere is the target.
- The auditor must emphasise the confidential nature of the interviews and must never mention an individual worker's identity to management.
- Auditor must conduct the interview using an informal 'conversational' technique and must not read questions from a tick box/checklist.
- Open questions should be asked so that workers give full answers rather than answering 'yes/no'.

2.2.3.4 Use of interview information

Only substantiated information (e.g. confirmed by document review) can be shared with the facility owners. Any unsubstantiated worker anecdotes should be reported back to the client, to guard against possible victimization. Un substantiated or sensitive information should not be disclosed to the site, or uploaded onto Sedex.

Any issues of a sensitive nature should not be mentioned to the site, if this endangers workers. However they may be reported confidentially and separately to the brand/retailer, see GSCP Audit Reference Documents for an off line tool for sensitive reporting.

These must not be uploaded on to Sedex, to protect the confidentiality of the worker.

Where a professional interpreter is being used to help conduct the interviews, the interpreter must be fully briefed on these guidance notes.

Finally the auditor should provide guidance a relevant local office number for use by workers in the event of a complaint or victimization following worker interviews.

2.2.4 PRE-CLOSING MEETING

This is a meeting between the audit team members with the following objectives:

- Review and discuss the evidence presented.
- Examine the observations made and reach consensus on the findings.
- Determine the compliance status of each clause within the audit.
- Examine specific documentation or evidence to verify identified non-compliances.
- Develop the CAP.

2.2.5 CLOSING MEETING

The aim of the closing meeting is to inform and agree with the facility management the findings of the audit and to verify their confirmation of the findings through signing off the CAP and agree timescales. It is intended that all issues be closed out by the end of the meeting. This should be communicated in the native language of worker representatives / all present. If no worker representative is present, then details of how information will be communicated further needs to be ascertained and noted on the CAPAR.

Note: There are two signature lines on the CAP.

- Line 1 – Non-compliances agreed. The auditor should make every effort to reach agreement with the facility and obtain their representative's signature.
- Line 2 – Where there are any unresolved non-compliances the facility management should be invited to complete the second part of the signature box and to state their reason for any dispute.

During the closing the meeting the team leader will:

- Thank the management for their time and patience.
- Remind them that they may challenge findings at this meeting, but any issues they have agreed to cannot be queried later.
- Ensure that any agreements or disagreements are clearly recorded on the CAP and that an outcome is achieved.
- Re-confirm the purpose and scope of the audit.
- Mention good working practices that have been observed during the day.
- Explain where instances have been observed that the facility is not in compliance with ETI Base Code (clarify issue/date status) with local law (if applicable) and with the other requirements of the Sedex members best practice guidance.
- Explain that the audit was based on a sample examination of their facility and there may be some non-compliances that were not observed.
- Suggest, or ask the management to suggest corrective actions.

- Corrective Actions should be agreed upon and should reflect long term sustainable solutions which take account of the root cause of the problem. The auditor should encourage the auditee to take time to formulate a Corrective Action Plan that takes account of the root cause of the issue. e.g. if multiple fire exits are blocked a system is required to ensure that they remain clear, not just a photo of one point in time. However, for endemic long term issues e.g. Excessive working hours the facility management may need to formulate a Corrective Action Plan in collaboration with their customers but should acknowledge their acceptance of the non-compliance.
- Ask the management to sign the CAP.
- If they do not agree with any finding, state that if they produce evidence that shows the finding is incorrect, the audit team will review it.
- If such evidence is produced, this should be verified via another route such as employee interview, document review, and observation before acceptance.
- If evidence is produced which clears a non-compliance, the non-compliance can be cancelled, e.g. a fire certificate produced at the closing meeting that previously had not been seen by the auditors.
- If a non-compliance can be corrected immediately, e.g. a blocked gangway, it should be recorded as an observation. The auditor should investigate and document how compliance will be maintained.
- Ask the management team if they have any questions.
- Explain that the full report will be sent to the client who will be in contact with the facility.
- Inform the facility of the Sedex uploading and corrective action management process and making them aware of their responsibilities.
- Thank the management and leave.

Section 3: Guidelines by Clause

3.0 MANAGEMENT SYSTEMS AND CODE IMPLEMENTATION

0.1 Suppliers are expected to implement and maintain systems for delivering compliance to this Code. 0.2 Suppliers shall appoint a senior member of management who shall be responsible for compliance with the Code. 0.3 Suppliers are expected to communicate this Code to all employees and to their suppliers. 0.4 Suppliers should, where reasonably practicable, extend the principles of this Ethical Code through their supply chain.

The aim of the audit is to provide confidence that compliance with the Code can be ensured over the long term and that:

The facility management has implemented systems to ensure that all requirements are being consistently met. The Code and any additional specific client expectations have been effectively communicated to employees. The level of communication and roll-out of the Code through the facility's supply chain is evaluated (*This last point is for information purposes and is not a specific requirement of the Code*).

In order to establish the above, the auditor:

- Evaluates whether the facility has a social compliance/ethical trade policy and whether this covers all elements of the Code.
- Looks for specific policies covering all issues and in particular discrimination, freedom of association, discipline and general human rights issues.
- Checks that the facility is aware of any specific management system requirements their clients may have and has systems in place to manage compliance (e.g. labelling, quality requirements, etc.).
- Evaluates the management system and its implementation.
- Reviews how the effectiveness of systems and procedures is measured, reviewed and what systems are in place for improvement.
- Checks that all policies and procedures have been communicated and evaluates the effectiveness of such communication – are they available in local language? Is there training/briefing available for those who are less literate?
- Checks that the ETI Base Code or client-specific codes have been communicated to all workers and reports on how this has been done, e.g. poster on wall, worker briefings, etc. and how effective this has been.
- Establishes what actions the facility is taking to communicate and roll out the Code to its own supply chain.

Note; The auditor should check that the management system is appropriate for the size and nature of the business – formal documented systems are not necessarily expected for smaller organizations.

3.1 FORCED LABOUR

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.

The aim of the audit is to ensure:

- That there is no forced, bonded or involuntary labour.
- There are no deposits of money or ID on commencement of employment.
- That employees are free to leave after reasonable notice.
- That employees are free to leave at the end of their shift.

The auditor verifies:

- The law of the country/region in respect of this issue.
- That employment is entirely voluntary.
- That employees are free to leave at the end of their shifts and there is no compulsion to work overtime if the employee does not agree.
- That the workers are ‘free to move’.
- That there is no retention of IDs and lodging of deposits.
- The circumstances relating to any form of prison labour, should be reviewed.
- Any such scheme, where prison labour is voluntary, the workers are paid minimum wage plus overtime, and that access to paid work is not discriminatory should be recorded as an observation and the exact situation should be documented on the audit report. If this cannot be established, a non-compliance should be raised.
- The purpose of any CCTV or security guards posted, e.g. for normal security reasons or to control the workforce.

3.2 FREEDOM OF ASSOCIATION

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.

The aim of the audit is to ensure:

- That workforce rights are recognised.
- That union officials/site of employment representatives are freely elected and allowed to perform their duties.

- Where the right to Freedom of Association (FOA) and collective bargaining is restricted under law, workforce rights are recognised under parallel means.

The actual situation will vary depending upon country, but in principle, the auditor should determine and report on the existence and effectiveness of union and/or parallel means.

Prior to conducting an audit, auditors should:

- Know the local laws and workers rights concerning FoA.
- Understand the local context in practice, site/sector/regional issues.
- Check relevant sources and maintain a relationship with key trade unions (where they exist) and NGOs in the countries that they carry out audits.

N.B. auditors must not share the site names with outside agencies.

The following site provides useful information on union activity, campaigns, and reported issues concerning FoA www.ituc-csi.org/-human-trade-union-rights-.html

In countries where union activity is legal, the auditor verifies and reports:

- If the site has an active Trade Union.
- If workers can freely join the union if they wish.
- If union officials are freely elected and that they are allowed the required time to perform their functions if permitted in law without financial penalty.
- If there is an open approach by management to FoA, including a policy and active encouragement towards effective collective bargaining, which covers all types of workers.
- If workers understand their rights.
- If the site has a mechanism to facilitate feedback from workers who do not wish to join the union (e.g. a workers' committee, suggestion box, worker survey, focus groups, confidential hotline).

In countries where the right to freedom of association and collective bargaining is restricted under law,

The auditor needs to investigate further to obtain evidence that:

- Workers have an effective mechanism (parallel means) to make their views known to management,
- checks that representatives on workers' councils are volunteers, and are fairly elected,
- minutes are available of meetings in an appropriate language,
- where appropriate that minutes show evidence of discussions highlighting issues which may have been found at audit,
- there is evidence of management action being taken following the raising of issues.

If a workers' committee exists (regardless of the legal status of unions),

The auditor must verify and report:

- The remit of the committee.

- Does this include full collective bargaining?
- How committee members are elected and if the elections are fair, democratic, and free of management involvement.
- If the committee is representative of the whole workforce and not management grade.
- If workers are aware of the committee and how they can contribute.
- Minutes are available of meetings in an appropriate language.
- Where appropriate that minutes show evidence of discussions highlighting issues which may have been found at audit.
- There is evidence of management action being taken following the raising of issues.

In the case where the site of employment is very small (<30 people) and there may not be a committee or other formal structure the auditor verifies access to line manager and effectiveness.

To determine the effectiveness of FoA, auditors should ensure that union and worker committee members are included in the worker interview sample.

Questions to verify effectiveness can include how are grievances raised, to whom, how are they resolved, and if workers feel they are listened to and supported.

3.3 HEALTH AND SAFETY

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 and 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.

The aim of the audit is to ensure:

- That workers are not being exposed to risks in the workplace.
- That there are adequate systems in place to ensure that proper procedures will be followed and that H&S will not be compromised in the future.

N.B. With reference to the International Labour Organisation (ILO) Occupational Safety and Health Convention 155: “The measures taken to facilitate the cooperation referred to in Article 20 of the Convention should include, where appropriate and necessary, the appointment, in accordance with national practice, of workers’ safety delegates, of workers’ safety and health committees and/or joint safety and health committees; in joint safety and health workers should have at least equal representation with employers’ representatives”.

To complete this section the auditor:

- Clearly states the law of the country/region in respect of this issue.

- Evaluates whether management understand the principles of risk assessment and are applying them.
- Checks all necessary permits and certificates relevant to that country of operation are available, e.g. fire certificate, local employment office registration, etc.
- Checks the Health and Safety policy/manual/procedures. How is it applied/implemented and how communicated? Are they sufficiently detailed for the level of risks present?
- Checks that the procedures and systems are sufficient for the level of risk inherent in the industry, e.g. where fire risks are inherent in the products and production methods there should be a greater focus on this element.
- Checks purchase records for all necessary protective equipment, ensures that there is a clear history of this being bought and replaced on a regular basis.
- Checks that any such protective equipment is provided free of any charge or deposit to the workers.
- Checks maintenance records and contracts and ensures that any preventative maintenance visits are being performed.
- Checks the policy on personal protective equipment and the implementation are the management policing the use of such equipment and taking effective action where it is not used?
- Checks the state of the equipment provided – if in “brand new” state this could be indicative that it is not in regular use.
- Checks accident books and ensures that reviews of accidents and trends exist and are actioned.
- Checks training records.
- Where appropriate checks canteen, dormitories and recreational facilities.
- Workers selected for interview should be questioned to ensure that they understand the procedures and what to do when problems occur and that they have received training.
- Questions workers on how receptive managers are to problems that are reported and their attitude to those who report such incidents.
- Checks action taken against all levels of staff who disregard procedures for Health and Safety – is disciplinary action taken? Is it consistent at all levels?

3.4 CHILD LABOUR AND YOUNG WORKERS

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.

The aim of the audit is to ensure:

- That there is no evidence of children employed/working in the facility, this is in accordance to the ILO Conventions for minimum ages (C138) and child labour (C182). This states that no person will be employed or engaged in work if they are younger than 15 (or 14 in some developing countries). Light work may be

allowed for 12 and 13 year-olds in most developing countries provided it does not interfere with schooling. No person may be employed or work if they are younger than the legal minimum age for work in the country of manufacture, this also applies to persons engaged in a workplace apprenticeship programme.

- That there are systems in place to check the age of all workers particularly at the point of recruitment.
- That the facility management knows the local laws in relation to this topic.
- That there is a clear policy concerning young workers and that policies relating to children and young workers are displayed and communicated.
- That training schemes/apprenticeships are not being used as a way to avoid paying the full wage for the job.
- That young workers, defined as children under the age of eighteen, do not engage in any dangerous / hazardous (such as including with or near chemicals, with dangerous machines, heavy work or in an environment that is excessively noisy, it would also include night work and working excessive hours) that might jeopardise their health or safety or harm their development.

The auditor:

- Clearly states the law of the country/region in respect of this issue.
- Checks system for checking workers' ages. This should be systematic and documentary evidence should be retained, such as copies of original ID cards or other evidence that has been produced. However, this should not be used as an excuse to retain workers' identity papers. The evidence produced will vary from country to country, and wherever possible should be cross-referenced to an independent source. The facility management should also be questioned to check whether they are aware of how to check for fraudulent documents.
- Checks records of hirings and terminations for the previous 12 month period to see whether there is a pattern of young workers being sacked in the run-up to the audit.
- Particular attention should be paid to any training schemes in operation. Conditions relating to these should be clearly stated and where such systems exist, should be registered with local authorities. Where workers are under age, contracts should be signed by a parent or guardian.
- Workers selected for interview should be questioned about the company's policy concerning employing children and young workers to ensure that there is a clear communication on this topic.
- Workers who look particularly young should be prioritised for interview.
- It is important to err on the side of caution and assume that a young-looking worker is a child until verifiable evidence to the contrary is provided. This may involve reviewing age documents of the child and verifying that they are genuine.

If any instances of child labour are found, the auditor must:

- Take immediate action to remove any child from any hazardous situation.
- Obtain their consensus on the interim arrangements for the child and their commitment for remediation.
- Advise the management that it is not acceptable to dismiss them.
- Communicate the policies and basic positions regarding remediation of child labour as per the ETI Base Code.

- Contact the end client immediately where this does not breach confidentiality agreements. The site should be encouraged to engage a discussion with their customer(s) on these issues.
- Capture the true identity and age of the child and note full details ie. ID number, home address and personnel details.
- Give advice on improving age verification systems to ensure that no new child workers are hired.
- Refers them to the Operational Procedures for Remediation of Child Labour in Industrial contexts and local organisations (reference place to be added) for designing and monitoring a remediation programme and local organisations.

3.5 LIVING WAGE

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.

The aim of the audit is to ensure:

- For ETI compliance it is necessary that employees are paid a living wage, and the auditor should seek to establish if there is a defined local living wage. In the absence of a defined process for establishing the living wage, this will be taken as National Minimum Wage.
- That all hourly and piece rate employees are paid at least the legal minimum wage rate.
- That wages are properly calculated and meet the minimum wage for the period.
- That all applicable withholdings are properly calculated, withheld and promptly paid over to the appropriate government agency within the specified timelines.
- That there are no payroll deductions for employment broker fees, housing allowances, food allowances etc. (unless allowed by local labour law).
- That overtime wage rates are paid at the legally mandated rate.
- That all legally mandated allowances and benefits are provided to the employees.
- That all employees are provided with a written and understandable statement of their pay for each pay period.
- Those contracts are in line with the law.

Based on their knowledge of the local living conditions, the auditors:

- Clearly state the law of the country/region in respect of this issue.

- Check system for wages. The auditors will check a minimum of two periods (peak and current).
- Verify that the system for calculating wages is systematic and documentary evidence should be retained. Evidence should be cross-checked through employee interview.
- Check wages in conjunction with hours of work.
- For the purpose of wage and working hours review, the auditors should focus on operators. This definition excludes managers and supervisors, but includes production personnel and service workers.
- Verify employees are paid regularly. If there is a legal requirement for a minimum wage to be paid in every pay period, check this occurs.
- Through employee interview checks that the wage paid is the same as documented in the employee's payroll record.
- Check that employees receive and can understand their pay statements.
- Check that employees are paid at least at the local minimum wage rate.
- If employees are paid below the minimum rate, document the percentage affected.
- Check that overtime is compensated at the legally mandated rates or where there is no legal requirement for this, at a premium in line with industry best practice.
- Check that employees are paid within the legally allowable period.
- Check if workers receive information explaining their payment details.
- Check that wages are not withheld as a deposit.
- Check whether wages are reduced or deducted as a form of punishment or discrimination; if yes, then is it in line with national law?
- Check whether wages and benefits are rendered in full compliance with all applicable laws.
- Where deductions are made for company loans check they are lawful. Verify there is evidence of correct loan accounting.
- Check that wages and benefits compositions are advised to workers before joining.
- Ensure there is agreement on method of calculation prior to the closing meeting.
- Carry out the hours of work review in conjunction with the wage and benefit review.

3.6 WORKING HOURS

6.1 Working hours comply with national laws and benchmark industry standards, whichever affords greater protection. 6.2 In any event, workers shall not on a regular basis be required to work in excess of 48 hours per week and shall be provided with at least one day off for every 7 day period on average. Overtime shall be voluntary, shall not exceed 12 hours per week, shall not be demanded on a regular basis and shall always be compensated at a premium rate.

The aim of the audit is to:

- Measure standard and overtime hours against the local laws and the ETI Base Code.

- Ensure that the facility management knows the local labour laws in relation to this topic.
- Verify whether appropriate waivers are in place and agreed (if applicable) or
- Ensure that working hours are accurately recorded and that double books are not being kept.
- Gather evidence to ascertain the facts and also the context of any inconsistencies found.

Auditors:

- Review records for all employees who have been selected for individual interviews. The remaining records to be reviewed per the sample size in the table should be taken from the broader population of workers.
- Select the sample of records to be reviewed from different work stations and employee levels within the facility.
- Review, for selected employees, a relevant sample out of a full 12 months' wage records in conjunction with time card and pay records. A relevant sample is dependent on the risks of the country and industry. However as a minimum 10 records or 1% of the workforce if above 1,000 workers should be reviewed.
- For seasonal production sites, review a 12 month cycle of records rather than 12 months of records.
- Record the details for all records analysed in order to ascertain the standard work week, overtime hours and holiday/weekend working.
- To look for management systems being in place that allow workers to volunteer to do overtime, and if present note as good practice.
- Review contracts, collective bargaining agreements and other terms and conditions of employment for signs of compulsory overtime or contract "hours required to complete the job".
- Focus on operators, for the purpose of wage and working hours review. This definition excludes managers and supervisors, but includes production personnel and service workers.
- Record details of the standard workweek and overtime practices in the audit report.
- If there are any non-compliances, further analysis may be performed to ascertain the full situation.
- Carry out the hours of work review in conjunction with the wage and benefit review.
- Where overtime hours exceed national law but are within any waivers obtained, it is particularly important to review a full 12-month cycle.
- Ensure breaks, holidays and rest periods are in accordance with local law.
- Where inconsistencies are noted, management shall be invited to provide accurate records as soon as these start to be discovered. An investigation should be undertaken to establish the underlying cause and whether this is due to poor record keeping, isolated incidents or repeated occurrences. Sufficient detail to be provided in the report.

3.7 DISCRIMINATION

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.

The aim of the audit is to ensure:

- That all workers are treated equally in all matters of employment, including recruitment.
- That there are adequate systems in place to ensure that no form of discrimination occurs.

Prior to conducting an audit, auditors should:

- Know the local laws and workers rights concerning discrimination.
- Understand the local context in practice, site/sector/regional issues.
- Check relevant sources and maintain a relationship with key NGOs in the countries the relevant at they carry out audits.

The auditor should verify if discrimination exists at any point during the employment cycle:

At Recruitment

- Check the company's systems for advertising and hiring new staff. For example, verify the language used in job postings and the list of job requirements.
- Check how workers are selected for interviews.
- How interviews are conducted, who conducts them, and what questions are asked.
- Policies and any requirements for health checks prior to employment (with particular reference to any health checks to ensure that these do not discriminate against women/men (e.g. pregnancy checks and HIV testing) this includes non core workers as well as core workers (e.g. cleaners, sub-contractors, security guards).

Workforce:

- Check the breakdown of workers by ethnic/social group, gender and position.
- Ensure that any segregation of workers is due to accepted cultural norms and that equal opportunities still apply across all groups.
- Ensure that benefits are being applied equally to all groups and, in particular, that any legal benefits relating to post-natal are given in an appropriate manner, e.g. where mothers returning to work have rights to nursing breaks, there should be a "quiet room" or other suitable place provided.
- Checks the system for worker grievances.
- Ask workers about their rights to observe religious holidays and about their experiences regarding discrimination.
- Arrange some focus groups by ethnic grouping or gender in order to encourage free speech on these issues. In these cases it is advisable to have someone from the same ethnic group or gender leading the meeting.
- Ask workers about experiences relating to people reporting issues of discrimination and action taken as a result. Ensures interviews probe what procedures are in place to deal with any complaints and whether there is any evidence of repercussions.
- Be particularly sensitive to body language and unspoken sub-texts in these meetings.

End of Employment:

- Verify disciplinary and notice letters to workers.

- Ask workers about why people have left the company.
- Verify whether there is an exit interview process and if it is effective.

3.8 REGULAR EMPLOYMENT

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.

The aim of the audit is to ensure that:

- Workers are provided with continuous employment.
- The facility is not using regulations concerning temporary workers in order to avoid liability for pay and benefits that would be accorded to permanent employees.

The auditor:

- Checks hiring and terminations over last six months to ensure no patterns exist.
- Checks pattern on hirings etc. around peak period. Checks whether new hirings during peak period are still with the company.
- Cross-references staff numbers and hirings to working hours during peak and quiet periods.
- Under certain circumstances regular lay-offs during quiet periods may be acceptable state the law on the report.
- Records details of seasonal or contract workers and compare this with national law. Clearly states the national law.
- Checks policy concerning pay during quiet periods – if “annualised hours” are being applied, ensures that this is legal and that overtime hours during busy periods are still being paid as such.
- Selects workers who have been with the company for at least one year for focus interviews.
- If agency workers are used, determines if there is an Service Level Agreement with the agency.
- If contract workers are on site, reviews contract if possible and records details if appropriate.
- If contract workers are on site, includes a representative sample in worker interviews.
- Reviews employees’ legal right to work and verify that any agencies being used comply with all applicable legislative and industry requirements.
- Ensures contracts are provided and copies held and that these are in understandable language.
- Check and report how supplier and Agency manage workers eg. How much notice is given, are workers paid if they turn up, are they paid for down time?

3.8.A SUB-CONTRACTING, HOMEWORKING AND EXTERNAL PROCESSING (SCH&EP)

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.

The aim of the audit

- Is to ensure that where SCH&EP are in place this is with the knowledge / agreement of the main client.

SCH&EP can be carried out via complex chains of agents. The auditors should note whether the facility has a good knowledge of where their products are being made and summarise their findings by mapping this chain and gathering evidence of systems to manage and monitor.

If SCH&EP is taking place, then the extent should be recorded and the systems that are in place shall ensure that all workers are working in good conditions.

The aim of this audit is *not* to carry out a full audit of the SCH&EP supply chain, but to highlight where it is happening with some basic information and provide visibility. The supplier/retailer can then decide if further work is needed. If this is the case, the supplier/brand/retailer may wish to do this themselves or pass on to a local NGO.

For more information on homeworking, refer to:

- The ETI Homeworkers guidelines toolkit: recommendations for working with homeworkers – these are available at www.ethicaltrade.org/Z/lib/2006/07/hmwkr-gls/index.shtml.
- The National Group on Homeworking website - www.homeworking.gn.apc.org
- Homeworkers Worldwide - www.homeworkersww.org.uk

The auditor:

- Requests details of any SCH&EP used in the production process. It should be noted that the factory may only have details of the agents used as intermediaries and the level of information available should be noted.
- Checks the existence of terms and conditions of engagement for SCH&EP.
- Clearly states the law on the country in respect of homeworking and if the country has ratified the ILO Convention on Home Working.
- Ascertain and notes as a non-compliance where sub-contracting is taking place without express permission from any retailers concerned. This can be verified in many different ways such as open questions to workers, checks on production records vs order books, internal inspection checks etc. The auditor can also look at order books and check in a busy month if they had enough workers on site to do any processes that are typically outsourced – eg embroidery.
- Ascertain, where SCH&EP is in place what systems and policies are in place to manage their ethical position and has the site carried out any audits there to assess conditions.

- Request evidence to show they've communicated the code of conduct.
- States the location and number of SCH&EP suppliers are sourcing from and provide the name of whom through if via a contractor, subcontractor, sub-subcontractor.
- Identifies in which part of the production process SCH&EP are used and which period of the year.
- Checks the systems in place for setting piece rate pay, gathers evidence of the time and motion studies to establish rate of pay.
- Checks if the supplier has implemented systems to carry our random checks on homeworking/shed units via QCs to ensure that basic working conditions are acceptable.

3.9 DISCIPLINE

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

The aim of the audit is to ensure that:

- Disciplinary practices are fair, non-arbitrary and effective.
- Employers demonstrate respect for workers' mental, emotional and physical well-being with regard to any disciplinary action necessary.

The auditor:

- Checks policy and procedures for disciplinary action and ensures that policies exist for appeals and grievances to be heard.
- Reviews recent disciplinary cases and outcomes, including frequency of appeals.
- Where unions exist, checks whether they are aware of the procedures and have agreed them.
- Where security guards are in use, reviews their contracts and terms of reference.
- Check that workers understand the policy and are aware of their rights.
- Discusses with the groups any cases they are aware of and what the outcomes of any appeals are.
- Checks with workers concerning anecdotal or other evidence of corporal punishment, or of verbal or physical abuse or mental coercion.
- Checks with workers their view of the security guards (if applicable) and their role.
- Discusses whether there have been cases of complaints made about inappropriate disciplinary action and the outcome.
- Verifies that any fines should be clearly documented and the amount calculates as a percentage of the wage. Ensures this does not take workers below minimum wage and states whether fines are legal.
- If there are any fears of reprisals, findings should not be reported at the closing meeting but **must** be reported to the client.

Section 4: Other Issues

4.1 ENTITLEMENT TO WORK, MIGRANT AND AGENCY LABOUR

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

The auditor:

- Checks the identification documents of permanent workers and agency workers to ensure they are entitled to work in the particular country.
- Checks workers contracts, pay slips, hours.
- Checks that the facility keeps copies of such documents.
- Checks that the facility is aware of the types of official documentation that verify a worker's right to work in the country.
- Checks that the facility is familiar with immigration rules and regulations if they are employing immigrants/foreign nationals/overseas students.
- Check that the facility is using agencies or labour providers who are in compliance with local legislative requirements (e.g. GLA in UK).
- Checks that the facility maintains control of agencies that they may use to provide temporary labour. This may include regular visits to the agency by the facility or a more formal internal audit of its processes and systems.
- Checks that the facility has applicable records relating to these agencies such as contracts (Service Level Agreement) and invoices.
- Check through worker interviews:
 - How the workers were recruited and whether any payments were made or inducements offered prior to leaving their point of origin (worker interview).
 - What arrangements were made for the worker to travel from the point of origin.
 - Any deductions and arrangements for items such as travel, accommodation and equipment.

Non-compliances against the ETI Base Code should be noted on the report in the relevant section.

4.2 ENVIRONMENT

D1 Suppliers shall seek to make continuous improvements in their environmental performance and, as a minimum, comply with the requirements of local and international laws and regulations.

D2 The supplier shall be aware of and comply with their end clients' environmental requirements.

The aim of the audit is to ensure that:

- The facility is complying with national and local environmental laws and regulations.
- The facility is aware of any client-specific requirements and has systems in place to be able to ensure that they meet these.

This is not a full environmental audit but a check on basic systems and management approach.

In order to establish compliance with these requirements, the auditor:

- Refers to the actual codes and any national or local legislation as applicable to the industry will vary from country to country and between industries, as such reference should be made to the country briefings.
- The facility's management systems are checked to ensure that procedures and work instructions are in place to ensure compliance with the relevant legislation. The extent of the systems in place are commented on and any external audits or certification (e.g. ISO14001) noted.
- Interviews the nominated responsible manager to ensure they understand the legislative requirements. The name of the responsible manager should be recorded and their level of seniority commented upon.
- Checks that the facility has a list of chemicals used in the manufacturing process and whether they are aware of how they relate to any client requirements and legislation in the destination countries.
- Checks for registers of waste being discharged. Where permits or consents are required, these should be viewed and their validity checked.
- Checks for test results on waste discharge – who is conducting the tests? Is this being done regularly enough to show due diligence? What plans are in place for action to be taken in the event that acceptable limits are exceeded?
- Documents local inspections from government bodies and similar applicable bodies. Records details of any official complaints, legal actions or recommendations.
- Interviews workers from relevant sections to comment on compliance with procedures relating to waste disposal, discharge of effluent, etc., and on actions taken by management if procedures are not followed.

4.3 COMMUNITY BENEFITS

Under this section of the report the auditor shall document any positive benefits that the factory management have implemented to aid the community. These may include aspects such as *hospitals, schools, community centre, sports/health programmes, transport to local facilities such as doctors and markets/shops, AIDS programme, etc.*

The auditor is not expected to verify these community benefits and evidence may be from management interviews only.

Section 5: Audit Reporting and Forms

5.1 NCR GRADING; NON-COMPLIANCE RATING (ETI)

“SMETA Non Compliance Guidance” has been produced by the AAG to give some suggested time frames for correction of non compliances. It is a guide only and does not override the auditor’s decision on the day of audit.

The NCR guidance has been produced in response to a request from members to standardise the SMETA process as far as possible including suggested timeframes for correction. The document also suggests how a member may decide on severity of issue by indicating a consensus position on the rating of Sedex issue titles as critical, major, minor.

The ratings are the views of a selection of members, and individual companies may disagree with the terminologies. It is suggested that each member company use its own judgement.

For this reason, it is not yet possible to include critical, major, minor into the Sedex upload process, as it would require complete agreement on these in advance. This has not yet been achieved.

5.2 REPORT FORMAT AND ALL FORMS

The following common documents will be used:

- Sedex self-assessment questionnaire (SAQ).
- Document request list form.
- Report.
- Corrective Action Plan (CAP).

Audit reports and corrective action plans are completed such that a reader can understand the reported issues. For example, if an issue is found, the auditor should make it clear in the report whether this is a one-off incident or a systematic problem.

Revision changes to report and CAPR include but are not limited to:

Changes to Report

- A new section “ Section 0 Management systems and Code Implementation “ – see P.26 of this guide.
- A new box for “Evidence of Compliance and Current Status “ where the auditor should record details of the evidence seen to confirm compliance.
- Objective evidence as a separate column for easier reading of reports.

Changes to CAPR

- Inclusion of an additional column titled “Root Cause “. This is not a mandatory column at this stage, but it is included to encourage sites and auditors to consider the root cause of any non compliances found and whether a system change is required.

Explanation of root cause

The root cause refers to the specific activity/ procedure or lack of activity /procedure which caused the non compliance to arise. Before a corrective action can rectify the situation it is important to find out the real cause of the non compliance and whether a system change is necessary to ensure the issue will not arise again in the future.

Some examples are:

A site uses fines to control unacceptable behaviour of workers.

Internationsl standards (and often local laws) may require that workers should not be fined for disciplinary reasons.

It may be difficult to stop fines immediately as the site rules may have been in place for some time, but to prevent the non compliance re- occurring it will be necessary to make a system change. The symptom is fines, but the root cause is a management system which may break the law. To prevent the problem re- occurring it will be necessary to make a system change for example the site could consider a system which rewards for good behaviour.

5.2.1 DESCRIBING NON COMPLIANCE

Sedex suggest providing maximum detail on the non compliance action in the report, which should include a description of the non compliance, the Local law or ETI requirement, the recommended corrective action as well as the objective evidence observed.

The following are some examples:

- **Issue title: Health and Safety certificates.**

Detail of non compliance: A fork lift truck driver was found not to have a fork lift truck driver’s license on file Local Law or ETI Requirement:

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

Recommended Corrective Action: Workers shall receive training commensurate with their job responsibilities.

Objective Evidence Observed: Based on observations made during document review it was observed that a fork lift truck driver was found not to have a fork lift truck drivers license on file.

● **Issue title: Young workers not registered or recorded per legal requirements.**

Detail of non compliance: 3 juvenile workers were not registered.

Local law or ETI requirement: In accordance with the Regulations for Special Protection of Juvenile Workers (Document No.498) article 9, employment of juvenile workers should be registered.

Recommended corrective action It is recommended that the factory should register the juvenile workers at the local labor bureau.

Objective evidence observed: Through name rolls review, it was noted that there were 3 juvenile workers employed in the factory, but no such registration was done for those juvenile workers.

● **Issue title: Effectiveness of Representation Body.**

Detail of non compliance: Workers expressed dissatisfaction with performance of the welfare committee citing ineffective representation and delays in receiving feedback from management.

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

Re commended corrective action:It is recommended that the welfare committee meets regularly. that meetings are minuted and that minutes are shared with the workforce.

Objective evidence observed: following worker interview results, auditors found that the welfare committee met very infrequently, did not discuss the items suggested by the workers and did not produce minutes of meetings.

Note: Freedom of Association is a complex area to audit as the laws and regulations are different between countries and also between Export Processing Zones. The following description represents the level of detail that Sedex members would like to see on an audit report.

Evidence of compliance and current status *“There is no trade union on the farm. However, there is a parallel means of engaging management, by use of a workers welfare committee. The committee meets with management to review labour and welfare conditions at the work place. Workers welfare committee is also used to communicate to workers. Workers and management discuss and agree on practical solutions to any issues that may have been raised, assign responsibilities and set timeline for actions, and follow up on any actions agreed in previous meetings. Other than welfare committee, there exists a gender and a health and safety committee. Worker representation is from every department of the farm. Workers elect their representatives themselves. Trainings are conducted to enable these committees to effectively discharge their duties. The committees have agendas for their meetings. Minutes of all meetings are documented and maintained on file. Meeting proceedings are shared during workers meetings and posted on notice boards”.*

- **Issue title: Age discrimination.**

Detail of non compliance Factory only recruits workers with ages equal or over 18.

Local law or ETI requirement: In accordance with the ETI Base Code Clause 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.

Objective evidence observed: It was noted that from the factory rule article 2, the factory would only recruit workers with ages equal or over 18.

Recommended corrective action: It is recommended that the factory should terminate this rule and stop discriminating against candidates between the ages of 16 to 18 when hiring.

- **Issue title: No rest day for each 7 days.**

Description of non-compliance: Workers were not provided with one day off in seven, (2 days off in 14).

Local law or ETI requirement: The ETI Base Code states that: 6.2 In any event, workers shall not on a regular basis be required to work in excess of 48 hours per week and shall be provided with at least one day off for every seven-day period on average.

Recommended corrective action: Workers shall be provided with one day off in seven. **Objective evidence observed:** Based on observations made during document review, and worker interview, it was found that some workers were working 7 days consecutively over a period of weeks.

- **Issue title: No documentation on file/ missing documentation.**

Description of non-compliance: Employees had not been validated by the employer for their legal right to work by reviewing original documentation.

Local law or ETI requirement: With effect from 1st May 2004, all new employees will be required to provide evidence of their right to work in the UK prior to commencing employment.

Recommended corrective action: Entitlement to work original documentation shall be collected and validated.

Objective evidence observed: Based on documentation reviewed, it was found that entitlement to work documentation had not been collected for employees who commenced work after 1st May 2004. (2 cases).

5.2.2 COLLECTING GOOD EXAMPLES

A good example is an issue which the auditor feels is over and above the standards and applicable laws against which the site was audited.

e.g: Crèche available for the children's workers.
Storage for bikes and shower facilities.

Good examples can be collected through on-site observation and interviews, and can be summarised under the section "best practices observed" of the SMETA report. The site will not be required to enter an action for a GE.

5.3 COMMUNICATION OF RESULTS WITH CLIENT

Audit firm sends report to the payee and any authorised third parties in PDF. A documented release statement should be obtained by the audit body prior to such release.

5.4 SEDEX AND UPLOADING THE AUDIT

Auditor to communicate the following information regarding Sedex to the facility audited.

Sedex, Suppliers Ethical Data Exchange is a not for profit membership organisation for businesses committed to continuous improvement of the ethical and responsible practices in their supply chains.

Sedex promotes data sharing to ease the administrative burden on suppliers when trading with multiple retailers/brand customers that require ethical audit. Suppliers can upload audit and share them with their customers, cutting on repetition, cost and administration and reducing the number of audits.

Sedex also allows the sharing of good practice at your site: site certifications can now be uploaded; details of training programmes you are proud of; involvement with community projects and NGOs; good examples' in audit reports.

Sedex members include leading global brands and thousands of suppliers already registered in 163 countries. The member base is significantly growing each month and an ever increasing number of your customers are likely to be on Sedex.

The audit body advises the auditee of the requirement and process of the Sedex uploading and management process and associated fees for these services.

To upload an audit in the system, first the facility has to log the audit in Sedex. The auditor will receive an email notification and can upload the on-site conducted audit and actions. Following this, the audit can be visible to the customers.

The supplier is then able to enter actions against issues on line which will then be verified by the auditors.

Sedex strongly recommend that external audits are uploaded by the auditing company as this provides greater independence.

For more details, the auditor should consult the Sedex Auditor Toolkit.

The Sedex best practice guidance and report has been produced for guidance only. Other programme reporting formats will also be recognised, including, but not limited to, WRAP, SA8000, and company specific reports.

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For more information on Sedex please go to www.sedex.org.uk
or email info@sedex.org.uk