

SMETA Corrective Action Plan Report (CAPR)

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

Supplier name:	Sarena Apparel (Pvt) Limited.	
Site country:	Pakistan	
Site name:	Sarena Apparel (Pvt) Limited.	
Parent Company name (of the site):	Sarena Apparel (Pvt) Limited.	
SMETA Audit Type:	<input checked="" type="checkbox"/> 2-Pillar	<input type="checkbox"/> 4-Pillar
Date of Audit	27 th , 28 th and 29 th October 2015	

Audit Content:

(1) A SMETA audit was conducted which included some or all of Labour Standards, Health and Safety, Environment and Business ethics. The SMETA Best Practice Guidance Version 5 December 2015 was applied. The scope of workers included all types at the site e.g. direct employees, agency workers, workers employed by service providers, and workers provided by other contractors. Any deviations from the SMETA Methodology are stated (with reasons for deviation) in the SMETA Declaration.

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

Please check appropriate SMETA Audit Type in the above box:

2-Pillar SMETA Audit

- ETI Base Code
- SMETA Additions
 - Management systems and code implementation,
 - Entitlement to Work and Immigration,
 - Sub-Contracting and Home working

4-Pillar SMETA Audit

- 2-Pillar requirements plus
- Additional Pillar assessment of Environment
- Additional Pillar assessment of Business Ethics

The new ETI Working Hours Clause

- Now integrated into this latest SMETA version.

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





Audit Company Name: SGS Pakistan (Pvt.) Ltd.	Report Owner (payee): Sarena Apparel (Pvt) Limited.
<i>Sedex Company Reference:</i> (only available on Sedex System)	S 00000074311
<i>Sedex Site Reference:</i> (only available on Sedex System)	P 000000158552

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

<i>Auditor Reference Number:</i> (If applicable)	JLHC-151719
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Audit Details

Audit Details			
A: Report #:	JLHC-151719		
B: Time in and time out <i>(SMETA BPG recommends 9.00-17.00 hrs. if any different please state why in the SMETA declaration)</i>	Day 1 Time in: 0930 Day 1 Time out:1800	Day 2 Time in: 0900 Day 2 Time out:1700	Day 3 Time in: 0900 Day 3 Time out:1700
C: Number of Auditor Days Used: <i>(number of auditor x number of days)</i>	03 man days (01 auditor in three days)		
D: Audit type:	<input checked="" type="checkbox"/> Full Initial <input type="checkbox"/> Periodic <input type="checkbox"/> Full Follow-up <input type="checkbox"/> Partial Follow-Up <input type="checkbox"/> Partial Other – Define		
E: Was the audit announced?	<input type="checkbox"/> Announced <input checked="" type="checkbox"/> Semi – announced: Window detail: 22 nd October 2015 till 7th November 2015 (02 weeks) <input type="checkbox"/> Unannounced		
F: Was the Sedex SAQ available for review?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No		
If No , why not? <i>(Examples would be, site has not completed SAQ, site has not been asked to complete the SAQ.)</i>	NA		
G; Any conflicting information SAQ/Pre-Audit Info to Audit findings?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No If Yes , please capture detail in appropriate audit by clause		
H: Auditor name(s) and role(s):	Ahmed Haseeb Malik (Lead Auditor)		
I: Report written by:	Ahmed Haseeb Malik		
J: Report reviewed by:	Tasneem Fakhra		
K: Report issue date:	5 th November 2015		
L: Supplier name:	Sarena Apparel (Pvt) Limited.		
M: Site name:	Sarena Apparel (Pvt) Limited.		
N: Site country:	Pakistan		
O: Site contact and job title:	Mr. Shahzad Quamar (Manager HRD)		
P: Site address: <i>(Please include full address)</i>	22 Km, Ferozpur Road, Rohi Nala, Lahore		
Site phone:	0092 42 35272621-2		

Site fax:	0092 42 35965232			
Site e-mail:	shahzad.quamar@sarenapk.com			
Q: Applicable business and other legally required licence numbers: for example, business license no, and liability insurance	Labour Registration: DLW/F/LHR/292 NTN: 4185205-2 Certificate of Incorporation: 0084073			
R: Products/Activities at site, for example, garment manufacture, electricals, toys, grower	Woven & Knitted Garments			
S: Audit results reviewed with site management?	Yes			
T: Who signed and agreed CAPR (<i>Name and job title</i>)	Mr. Shahzad Qamar (Manager HRD)			
U: Did the person who signed the CAPR have authority to implement changes?	Yes			
V: Present at closing meeting (Please state name and position, including any workers/union reps/worker reps):	Mr. Shahzad Quamar (Manager HR), Mr. Iftikhar Ahmad (GM Operation), Mr. Syed Ghazanfar Ali (Manager Marketing), Mr. Muhammad Usman Khan (Sr. Manager) Ms. Precious (Marketing Manager), Mr. Naseer Ahmed (Manager Production) Mr. Imran Latif (Business Development Manager), Mr. Muhammad Mudassar Khan (Sr. Manager), Mr. Muhammad Aamir (Worker representative), Mr. Muhammad Fakhar (Worker representative), Mr. Muhammad Waseem (Worker representative), Ms. Syeda Perveen (Worker representative) and Mr. Ifan Shaukat (Worker representative).			
W: What form of worker representation / union is there on site?	<input type="checkbox"/> Union (name) <input checked="" type="checkbox"/> Worker Committee (Worker Management Council) <input type="checkbox"/> Other (specify) <input type="checkbox"/> None			
X: Are any workers covered by Collective Bargaining Agreement (CBA)	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No			
Y: Previous audit date:	12 th and 13 th September 2014			
Z: Previous audit type:		SMETA 2–pillar	SMETA 4–pillar	Other
	Full Initial	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	Periodic	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	Full Follow–Up Audit	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	Partial Follow–	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

	Up			
	Partial Other*	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	*If other, please define:			



Guidance:

The Corrective Action Plan Report summarises the site audit findings and a corrective, and preventative action plan that both the auditor and the site manager believe is reasonable to ensure conformity with the ETI Base Code, Local Laws and additional audited requirements. After the initial audit, the form is used to re-record actions taken and to categorise the status of the non-compliances.

N.B. observations and good practice examples should be pointed out at the closing meeting as well as discussing non-compliances and corrective actions.

To ensure that good practice examples are highlighted to the supplier and to give a more 'balanced' audit a section to record these has been provided on the CAPR document (see following pages) which will remain with the supplier. They will be further confirmed on receipt of the audit report.

Root cause (see column 4)

Note: it is not mandatory to complete this column at this time.

Root cause refers to the specific procedure or lack of procedure which caused the issue to arise. Before a corrective action can sustainably 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.

See SMETA BPG Chapter 7 'Audit Execution' for more explanation of "root cause".

Next Steps:

1. The site shall request, via Sedex, that the audit body upload the audit report, non-compliances, observations and good examples. If you have not already received instructions on how to do this then please visit the web site www.sedexglobal.com.
2. Sites shall action its non-compliances and document its progress via Sedex.
3. Once the site has effectively progressed through its actions then it shall request via Sedex that the audit body verify its actions. Please visit www.sedexglobal.com web site for information on how to do this.
4. The audit body shall verify corrective actions taken by the site by either a "Desk-Top" review process via Sedex or by Follow-up Audit (see point 5).
5. Some non-compliances that cannot be closed off by "Desk-Top" review may need to be closed off via a "1 Day Follow Up Audit" charged at normal fee rates. If this is the case then the site will be notified after its submission of documentary evidence relating to that non-compliance. Any follow-up audit must take place within twelve months of the initial audit and the information from the initial audit must be available for sign off of corrective action.
6. For changes to wages and hours to be correctly verified it will normally require a follow up site visit. Auditors will generally require to see a minimum of two months wages and hours records, showing new rates in order to confirm changes (note some clients may ask for a longer period, if in doubt please check with the client).

Corrective Action Plan

Corrective Action Plan – non-compliances									
Non-Compliance Number <i>The reference number of the non-compliance from the Audit Report, for example, Discrimination No.7</i>	New or Carried Over <i>Is this a new non-compliance identified at the follow-up or one carried over (C) that is still outstanding</i>	Details of Non-Compliance <i>Details of Non-Compliance</i>	Root cause <i>(completed by the site)</i>	Preventative and Corrective Actions <i>Details of actions to be taken to clear non-compliance, and the system change to prevent re-occurrence (agreed between site and auditor)</i>	Timescale <i>(Immediate, 30, 60, 90, 180, 365)</i>	Verification Method <i>Desktop / Follow-Up [D/F]</i>	Agreed by Management and Name of Responsible Person: <i>Note if management agree to the non-compliance, and document name of responsible person</i>	Verification Evidence and Comments <i>Details on corrective action evidence</i>	Status <i>Open/Closed or comment</i>
3: Working Conditions are Safe and Hygienic	New	<p>1. Description of non-compliance: During facility visit it was noticed that the worker's access to aisles/pathway was blocked by garments trolleys in stitching section as passage for escape is not accessible.</p> <p>Local law or ETI requirement: Section, 33-D(b) of the Factories Act, 1934: In every factory there shall so far as is reasonably</p>		<p>Recommended corrective action: It is recommended that factory should ensure that access to aisles/ pathways should not be blocked and all escape routes shall be accessible during working hours.</p>	30 days	Desktop	Y Mr. Shahzad Quamar (Manager HRD)	<p>Desktop Review dated 6th November 2015 and status Closed: Based on desktop review it came evident that worker's access to aisles/pathway was not blocked and all escape routes are accessible.</p>	Closed

		practicable, be provided and maintained safe means of access to every place at which any person is at any time required to work arranged is to open outside or should be sliding.							
3: Working Conditions are Safe and Hygienic	N	<p>2.Description of non-compliance: During factory tour, poor aisles marking were noted in main accessory store.</p> <p>Local law or ETI requirement: Section 25(4) of The Factories Act, 1934: In every factory every window, door or other exit affording means of escape in case of fire, other than means of exit in ordinary use, shall be distinctively marked in a language understood by the majority of the workers and in red</p>		<p>Recommended corrective action: Facility should ensure proper emergency aisles marking at relevant sections.</p>	30 days	Desktop	Y Mr. Shahzad Quamar (Manager HRD)	<p>Desktop Review dated 6th November 2015 and status Closed: Facility has now marked proper emergency aisles marking at relevant sections pictorial evidences verified.</p>	Closed

		letters of adequate size or by some other effective and clearly understood sign.							
3: Working Conditions are Safe and Hygienic	N	<p>3. Description of non-compliance: During site tour white petrol can was found stored without MSDS and secondary containment near generator area.</p> <p>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</p>		<p>Recommended corrective action: Factory should post MSDS and provide Secondary containment for each chemical at relevant sections.</p>	60 days	Desktop	Y Mr. Shahzad Quamar (Manager HRD)	<p>Desktop Review dated 6th November 2015 and status Closed: Facility has now placed secondary containment and posted MSDS under white petrol can pictorial evidences verified.</p>	Closed



SMETA Corrective Action Plan Report (CAPR) (Version 5.0 Dec 2014)

		causes of hazards inherent in the working environment.							
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Corrective Action Plan – Observations

Observation Number <i>The reference number of the observation from the Audit Report, for example, Discrimination No.7</i>	New or Carried Over <i>Is this a new observation identified at the follow-up or one carried over (C) that is still outstanding</i>	Details of Observation <i>Details of Observation</i>	Root cause <i>(completed by the site)</i>	Any improvement actions discussed <i>(Not uploaded on to SEDEX)</i>
Nil	Nil	Nil	Nil	Nil

Good examples

Good example Number <i>The reference number of the non-compliance from the Audit Report, for example, Discrimination No.7</i>	Details of good example noted	Any relevant Evidence and Comments
Nil	Nil	Nil





Confirmation

Please sign this document confirming that the above findings have been discussed with and understood by you: (site management) <i>If actual signatures are not possible in electronic versions, please state the name of the signatory in applicable boxes, as indicating the signature.</i>		
A: Site Representative Signature:	Mr. Shahzad Quamar	Title: Manager HRD Date: 27 th , 28 th and 29 th October, 2015
B: Auditor Signature:	Ahmed Haseeb Malik	Title Lead Auditor Date: 27 th , 28 th and 29 th October, 2015
C: Please indicate below if you, the site management, dispute any of the findings. No need to complete D-E, if no disputes.		
D: I dispute the following numbered non-compliances: NIL		
E: Signed: (If <u>any</u> entry in box D, please complete a signature on this line)		Title Date
F: Any other site Comments: NIL		

Guidance on Root Cause

Explanation of the Root Cause Column

If a non-compliance is to be rectified by a corrective action which will also prevent the non-compliance re-occurring, it is necessary to consider whether a system change is required.

Understanding the root cause of the non-compliance is essential if a site is to prevent the issue re-occurring.

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.

Since this is a new addition, it is not a mandatory requirement to complete this column at this time. We hope to encourage auditors and sites to think about Root Causes and where they are able to agree, this column may be used to describe their discussion.

Some examples of finding a “root cause“

Example 1

Where excessive hours have been noted the real reason for these needs to be understood, whether due to production planning, bottle necks in the operation, insufficient training of operators, delays in receiving trims, etc.

Example 2

A non-compliance may be found where workers are not using PPE that has been provided to them. This could be the result of insufficient training for workers to understand the need for its use; a lack of follow-up by supervisors aligned to a proper set of factory rules or the fact that workers feel their productivity (and thus potential earnings) is affected by use of items such as metal gloves.

Example 3

A site uses fines to control unacceptable behaviour of workers.

International 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

Only by understanding the underlying cause can effective corrective actions be taken to ensure continuous compliance.

The site is encouraged to complete this section so as to indicate their understanding of the issues raised and the actions to be taken.

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

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

Click here for A & AB members:

http://www.surveymonkey.com/s.aspx?sm=riPsbE0PQ52ehCo3lnq5lw_3d_3d

Click here for B members:

http://www.surveymonkey.com/s.aspx?sm=d3vYsCe48fre69DRgLY_2brg_3d_3d



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