Global Social Compliance Programme

Audit Process and Methodology Reference tools

October 2009

The Consumer Goods FORUM

Global Social Compliance Programme

About the GSCP
Global Social Compliance Programme

/ GSCP objectives and scope

The Global Social Compliance Programme is a business-driven programme for the continuous improvement of working and environmental conditions in global supply chains. The GSCP was created by and for global buying companies (manufacturers and retailers) wanting to work collaboratively on improving the sustainability (social and environmental) of their often-shared supply base. To this end, these companies seek to harmonise existing efforts to deliver a shared, global and sustainable approach.

The scope of the Programme encompasses:

• social and labour practices,

• site-specific environmental practices (not product related).

The Programme can be applied at all levels of the supply chain.

The Programme is neither a monitoring initiative, nor a substitute to existing systems. **The GSCP will not undertake accreditation or certification activities** as it must remain a non-aligned, neutral reference framework.

/ The GSCP Reference tools

To drive convergence, the GSCP has developed a set of Reference tools and processes that provide a common interpretation, based on best existing practice, of fair labour/social and environmental requirements and their implementation in the supply chain.

/ Users & Usage

These tools are openly available for all to use. Users can include GSCP member and non-member buying companies, suppliers and employment sites. Multi-Stakeholder Initiatives and other initiatives, auditing bodies and other scheme owners can and are encouraged to also use the GSCP Reference tools.

The Reference tools can voluntarily either be:

• integrated by users into their respective systems; or

• utilised by users as a reference against which to compare their existing tools through the GSCP Equivalence Process[1].

/ Responsibility

The GSCP does not monitor nor audit in any way the compliance by a user's supply chain with the GSCP Reference tools or any standards.

The adoption of part or all of one or more Reference tools cannot be put forward as a proof of adequate due diligence. The responsibility of the implementation of these tools, of the monitoring of the user's supply chain's compliance and of any due diligence linked to it, resides with the user. Any use of the GSCP name or logo has to follow the terms established by the GSCP. These terms are available on the GSCP website **(www. gscpnet.com)**.

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1. The Equivalence Process is a mechanism by which a social and/or environmental compliance scheme is objectively benchmarked against the requirements defined in one or more GSCP Reference tools, to determine their level of equivalence. Through the Equivalence Process, the GSCP enables the comparison of various standards and schemes against the GSCP Reference tools, aiming at bringing convergence in requirements and approaches and building mutual recognition.

The Consumer Goods Forum

The GSCP is housed by The Consumer Goods Forum, a retailer and manufacturer parity industry body, driven by its members[2]. It brings together retailers, manufacturers and suppliers to collaborate across the value chain to enrich shopper and consumer value in all markets. It supports processes and practices that optimize the value chain as an interrelated whole, in accordance with all anti-trust laws.

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2. For more information, please visit www.theconsumergoodsforum.com

Acknowledgments
Thank you to those who contributed to this Reference tool

This Reference tool has been developed by supply chain experts from GSCP member companies, with input from key stakeholders, including other brands and retailers, initiatives and international organisations, auditing and certification bodies and civil society representatives. The GSCP would like to thank all those who have helped with the development and continuous improvement of this Reference tool.

**Global Social
Compliance Programme**

Table of contents

/ **List of Appendices:**

There are seven reference tools available that complement the audit process described above by providing further reference guidelines and templates for carrying out the described process. These are:

Appendix 1: GSCP Reference Self Assessment Questionnaire

Appendix 2: GSCP Reference Pre-Audit Employment Site Profile

Appendix 3: GSCP Reference Audit Checks

Appendix 4: GSCP Reference Alert Notification

Appendix 5: GSCP Reference Audit Report

Appendix 6: GSCP Reference Supplementary Audit Information

Appendix 7: GSCP Reference Summary of Findings and Corrective Actions

INTRODUCTION

RISK ASSESSMENT SYSTEM

AUDIT REQUEST

PREPARATION

AUDIT EXECUTION

AUDIT OUTPUTS

GLOSSARY

APPENDICES

ABOUT THE GSCP REFERENCE TOOLS ON AUDIT PROCESS & METHODOLOGY

Scope & usage

The Reference tools on Audit Process and Methodology detail the requirements that should be met by buying companies and auditors in order to conduct best practice social audits. They cover all steps to be taken prior, during and after an audit and includes where relevant templates to complement the audit process. They apply to auditing of sites of employment from all sectors, categories and countries.

The Reference tools on Audit Process and Methodology are based on the GSCP Reference Code but can be adopted and tailored to other codes of conduct.

The Reference tools are not a substitute for existing audit process or existing systems.

Overview of the audit process

The **REFERENCE TOOL ON AUDIT PROCESS** is designed to provide best practice guidance for the audit process. After benchmarking existing processes, the members of the Expert Working Group on Audit Process & Methodology developed the following process.

Involvement of Suppliers in the audit process

Suppliers should be involved as much as possible in the audit process.

This can be done:

- by sharing briefing notes with the supplier explaining the background, process, applicable codes and audit methodology;

- by developing a Best Practice manual giving examples of "what good looks like" against each topic, with practical advice on ways to address common social compliance issues;

- by encouraging suppliers to request social compliance audits themselves. This can be promoted as a way of prompting continuous improvement or of demonstrating their own commitment to social compliance.

Audit process

RISK ASSESSMENT SYSTEM

STEPS	GSCP REFERENCE TOOL
Collecting risk criteria. For example, by evaluating: • Country of employment site • Industry • Processe • Workforce size and type • Self assessment questionnaire (optional)	• Reference Self Assessment Questionnaire (Appendix 1)

REQUEST FOR SOCIAL AUDIT

STEPS	GSCP REFERENCE TOOL
• Initial communication with employement site • Collection of site information	• Reference Pre Audit Employment Site Profile (Appendix 2)

PREPARATION

STEPS	GSCP REFERENCE TOOL
• Background and content review • Audit organisation: type, team, length • Communicating audit arrangements • Supplier preparation	

AUDIT

STEPS	GSCP REFERENCE TOOL
• Opening meeting • Site tour • Management and worker interviews • Document review • Audit team prelosing meeting • Closing meeting	• Reference Audit Checks (Appendix 3) • Reference Alert Notifications (Appendix 4)

AUDIT OUTPUTS

STEPS	GSCP REFERENCE TOOL
• Audit reporting • Followup and verification	• Reference Audit Report (Appendix 5) • Reference Supplementary Information (Appendix 6) • Reference Summary of Findings and Corrective Action (Appendix 7)

INTRODUCTION

RISK ASSESSMENT SYSTEM

AUDIT REQUEST

PREPARATION

AUDIT EXECUTION

AUDIT OUTPUTS

GLOSSARY

APPENDICES

INTRODUCTION

RISK ASSESSMENT SYSTEM

AUDIT REQUEST

PREPARATION

AUDIT EXECUTION

AUDIT OUTPUTS

GLOSSARY

APPENDICES

1. RISK ASSESSMENT SYSTEM

A buying company should implement an efficient process to measure social compliance and identify risk in its supply chain. This will enable the company to focus attention on key areas of potential risk and direct its audit resources accordingly.

Existing risk assessment tools for suppliers and employment sites include criteria such as: geographical area, employment site function, product/service category, type of purchase, employment patterns (migrant, casual workers etc.), level and nature of any subcontracting, level of supplier commitment and/or previous audit results.

This information upon which the risk assessment is based is provided by the supplier or employment site either through a self-assessment questionnaire (Appendix 1) or through questions asked as part of the commercial relationship.

1.1 Self-assessment questionnaire

The self-assessment questionnaire enables a supplier or employment site to provide information about the employment site, how it manages social compliance and its performance against local and international labour standards. The employment site is asked to respond to a series of questions and provide supporting documentation. The buying company may then use this information as the basis of a risk assessment. The auditor may also use information from the self-assessment questionnaire to focus the on-site investigation on high risk areas.

Companies should communicate the following to employment sites when requesting this information:

• reason for the information request;

• how the risk assessment fits within the audit process;

• to whom to send the completed self assessment (or how to upload the self assessment on to a database);

• timeframe for completion;

• process and timeframe for updating the self-assessment.

A Reference Self-Assessment Questionnaire is available in Appendix 1.

INTRODUCTION

RISK ASSESSMENT SYSTEM

AUDIT REQUEST

PREPARATION

AUDIT EXECUTION

AUDIT OUTPUTS

GLOSSARY

APPENDICES

2. AUDIT REQUEST

2.1 Launching the audit request

An audit request may be made by:

• the employment site;

• the supplier;

• the buying company;

• any other party with an interest in the commercial relationship and social performance of the employment site. For example, industry or monitoring bodies.

Any company/organisation requesting an audit is termed an 'audit requestor'.

2.2 Pre-audit employment site profile

When an audit request is made, the auditor should supply the employment site with a pre-audit employment site profile questionnaire asking for general information about location, size, workforce profile and production processes. This information allows auditors to:

• prepare relevant briefing materials (industry or country-specific);

• plan the assessment, for example the gender and language capabilities of the audit team members and the required number of auditor days (cf. 3.2.2 Audit length).

Each employment site to be audited should complete a pre-audit employment site profile. The information provided should be used by the auditor to make the necessary preparations for the audit and may also be used during audits to focus the auditor on high risk areas.

The audit company should communicate the following to each employment site to be audited and any relevant parties, such as agents, in the supply chain:

• the importance of accuracy in completing the pre-audit employment site profile;

• timeframe for completion of the pre-audit employment site profile;

• to whom to send the completed pre-audit employment site profile.

Recommended timeframe:

• the auditor should supply the pre-audit employment site profile to the employment site within five working days of the audit being confirmed;

• the pre-audit employment site profile should be completed and returned to the auditor two weeks from the date of the request being made;

• if an audit is requested and scheduled in less than two weeks, the auditor and employment site should work together to ensure the pre-audit employment site profile is returned as soon as possible, and in any event before the audit is carried out.

A pre-audit employment site profile should have four main areas:

1. supplier overview;

2. employment site overview;

3. employment site details;

4. subcontracting activities.

Where the employment site itself is the audit requestor, the auditor should ensure that an agreement is in place with the employment site to allow the auditor to communicate audit findings and any alert notifications to any customers concerned.

A Reference Pre-Audit Employment Site Profile is available in Appendix 2.

INTRODUCTION

RISK ASSESSMENT SYSTEM

AUDIT REQUEST

PREPARATION

AUDIT EXECUTION

AUDIT OUTPUTS

GLOSSARY

APPENDICES

Background and context review

Audit organisation

Communicating the audit arrangements

Supplier preparation

AUDIT PROCESS AND METHODOLOGY REFERENCE TOOLS - OCTOBER 2009

3. PREPARATION

3.1 Background and context review

The auditing organisation or auditor must be fully aware of the conditions, challenges and issues prevailing in the country, region and industry where the audit is to be conducted. The auditing organisation and/or the auditor should be in regular contact with local, relevant civil society organisations (CSOs) which are knowledgeable about the issues which affect workers in the country, region or industry concerned. CSOs may be NGOs, Trade Unions, academic institutions, industry bodies, or any other relevant organisations. The auditing organisation or auditor should also regularly gather information on broader social, economic and political issues affecting workers and the local community from a broad range of sources including governments and CSOs. This should include an understanding of what constitutes an appropriate wage in the region that enables workers to meet basic needs and provides some discretionary income (for example, this might be done by using the 'basket' technique, e.g. total of different aspects of expenditure such as food, clothing and housing).

3.2 Audit organisation

3.2.1 Audit type

Audits should take place during a period when the employment site is in full operation (such as peak production or harvest).

Audits may be:

- unannounced (the employment site has no prior warning of the audit);

- semi-announced (the employment site is aware that an audit will take place during a given time period, but the actual date of audit is not communicated);

- announced (at a mutually convenient date agreed with employment site).

In all cases, the buying company should clearly communicate its audit policy and process to suppliers and employment sites as part of its commercial terms. The buying company's policy may include provision for all three types of audit under certain circumstances.

The risk assessment process can be used to influence the type of audit selected. For example, the audit requestor may decide to execute semi-announced audits in all high risk employment sites. However, other considerations such as the relationship with the employment site should be taken into account since semi-announced and unannounced audits can negatively impact supply chain relationships.

> **Unannounced audits**

Unannounced audits allow auditors to assess the conditions at an employment site in their normal state, since the employment site has not had the opportunity to make any special preparations. However there is a risk that the employment site will perceive unannounced auditing as deceitful, that the auditor will not be able to gain access to the facility and that the necessary information and personnel may not be available on the day of the visit to complete the audit.

To minimise these risks, the buying company should clearly communicate its policy on unannounced audits to suppliers and employment sites. The policy should state that:

- audits may occur at any time on an unannounced basis;

- all employment sites are required to provide both pre-audit and self assessment information on a regular basis and this information must be accurate;

- auditors presenting the correct credentials should be allowed full access to the employment site;

- the necessary records should always be kept on employment site or readily available (cf. 3.4 Supplier preparation).

Note: Whilst unannounced audits are extremely effective at identifying an accurate picture of working conditions at the employment site, and may help uncover high risk issues, their use can undermine the relationships along the supply chain, reducing the ability of the buying company to remediate. The experience of many companies indicates that unannounced audits should be reserved for due diligence checks or to investigate specific issues (critical issues suspected, lack of commitment/involvement of the suppliers, suspicion of fraud).

> **Semi-announced audits**

Semi-announced audits reduce the risks to the commercial relationship and increase the ability of the buying company to remediate. Buying companies should clearly communicate their policy on semi-announced audits to suppliers and employment sites. The policy should include the following points:

□ Background and context review   ■ Audit organisation   □ Communicating the audit arrangements   □ Supplier preparation

INTRODUCTION

RISK ASSESSMENT SYSTEM

AUDIT REQUEST

PREPARATION

AUDIT EXECUTION

AUDIT OUTPUTS

GLOSSARY

APPENDICES

- the buying company will specify a window during which an audit may take place. Audit windows may range between 2 weeks and 2 months;

- all employment sites are required to provide up-to-date and accurate pre-audit and self assessment information at the beginning of the window;

- auditors presenting the correct credentials during the audit window should be allowed full access to the employment site;

- the necessary records should be kept at the employment site during the window.

> Announced audits

The right to perform an announced audit should be a normal part of the commercial relationship. However there is a risk that employment sites may make special preparations for the audit and best practice is to use a mix of announced, semi-announced and unannounced audits to mitigate this risk. Buying companies should clearly communicate their policy on announced audits to suppliers and employment sites. The policy should include the following points:

- the buying company will agree an audit date with the employment site in advance;

- the employment site is required to provide up-to-date and accurate pre-audit and self assessment information in advance of the audit;

- auditors presenting the correct credentials on the date of the audit should be allowed full access to the employment site;

- the necessary records and the concerned personnel should be available at the employment site on the day of the audit.

3.2.2 Audit length

The number of auditor days at the employment site should be based on the size of the workforce. This will enable sufficient time to interview a representative sample of the size of the workforce and to check documents relating to the sample. Sample size and composition is probably the most controversial aspect of auditing methodology. The sample should reflect, as a minimum:

- the gender balance of the workforce. Where either men or women workers form a very small minority it is important that the audit team includes the minority in the sample;

- the spectrum of ethnic, national, linguistic, migrant or religious groups;

- different contract types, for example permanent, temporary, agency workers;

- different departments, including security and canteen workers as well as production workers;

- different designations, for example rank and file workers and supervisors.

Workers should be interviewed individually and in groups and in formal and informal settings without management present. Best practice is to interview some workers off-site, where they may feel more able to speak freely about any concerns they may have. Workers should be interviewed preferably in their own language. In any event management or their representatives shall not act as interpreters.

Individual Interview should last at least 15 minutes and will typically be expected to last 30 minutes.

Longer interviews will be required in some circumstances, including group interviews.

The challenges in identifying a representative sample makes it difficult to identify any hard and fast rule on audit length. The minimum number of person days required for an audit is shown in the table below, however, a longer audit should be used if this guidance does not allow time for meaningful and useful interviews to be carried out with the representative sample outlined above or in the case of:

- particularly large facilities;

- multiple languages;

- off-site interviews;

- issues requiring special investigation (e.g. discrimination);

- other unexpected issues.

In the case of agricultural businesses, consideration should be given to the size and geographical spread of the business and the number of growing locations to ascertain person days required.

The auditor should interview a proportion of the workers in each category of contract type. The number of workers interviewed should, as a minimum, be equal to the square root of the total number of workers in each category. This will help to ensure that a more representative sample is picked.

An example of how this would work is shown below:

e.g. Site A - Workforce – 2,500 workers

CONTRACT TYPE	NUMBER OF WORKERS	INTERVIEW SAMPLE SIZE
Permanent	2,225	48
Temporary	115	11
Agency	160	13
Total	**2,500**	**72**

INTRODUCTION

RISK ASSESSMENT SYSTEM · Background and context review □

Audit organisation ■ · AUDIT REQUEST · Communicating the audit arrangements □

PREPARATION

AUDIT EXECUTION · Supplier preparation □

AUDIT OUTPUTS

GLOSSARY

APPENDICES

AUDIT PROCESS AND METHODOLOGY REFERENCE TOOLS - OCTOBER 2009 ■

When selecting the worker interview sample for each category of workers, it is essential to ensure that it is representative of the make-up of the population it is being drawn from.

This includes ensuring that samples are representative of the gender, ethnic, national and linguistic balance of the workforce as well as being representative of migrant or religious groups, different department types and different designations. In the demonstration above, 48 permanent workers should be interviewed and the 48 workers that are selected should be representative of all permanent workers. For example if the permanent workforce is largely made up of males and workers who speak a particular language then the sample should reflect this.

The minimum sample sizes and number of person days on-site for audits is set out in the table below.

Minimum worker interview sample size and person day requirements:

TOTAL NO. EMPLOYEES	MINIMUM INTERVIEW SAMPLE SIZE	PERSON DAYS ON-SITE*
1-20	4	1
40	6	1
60	7	1
80	9	1
100	10	1
200	14	2
300	17	2
400	20	2
500	22	3
600	24	3
700	26	3
800	28	3
900	30	3
1,000	31	3
2,000	44	4
3,000	54	4
4,000	63	4
5,000	70	4
6,000	77	5
7,000	83	5
8,000	89	5
9,000	94	5
10,000	100	5

*does not include preparation time, travel or report writing.

3.2.3 Audit team

The audit should be conducted by a competent social auditor, who may be self-employed or be employed by a commercial organisation, NGO, Trade Union or industry body[3].

Auditors and auditing bodies should be chosen based on:

• audit training and skills[1];

• audit experience;

• local and industry knowledge;

• language skills;

• gender and ethnic/national background reflecting that of the workforce;

• reputation;

• integrity;

• commitment to improving social compliance.

To prevent any conflict of interest, the auditor must not have any connection with the employment site.

It is best practice for the audit team to be made up of at least two people, one of whom is dedicated to conducting worker interviews and carries out interviews throughout the duration of the audit.

3.3 Communicating the audit arrangements

3.3.1 Information for the employment site

The buying company and/or auditor should communicate the following information at least 2 weeks before the audit. This should be communicated in writing and in the relevant local language.

• Confirmation of receipt of the Pre-Audit Employment Site Profile and any further information required from the employment site.

• Identity of audit requestor.

• Information about the audit requestor's approach towards social compliance and the code of conduct against which the employment site is being audited.

• Introduction of the audit team.

• The audit agenda including:

    / timetable;

    / topics to be covered.

• Key personnel invited to participate in the audit, including but not limited to:

    / management;

    / HR and Payroll personnel;

    / health & Safety personnel;

    / workers' representatives.

• Information which the employment site must communicate to workers before the audit covering workers' rights and entitlements, the audit process, purpose, ground-rules for worker interviews, confidentiality of worker interviews.

• List of documents that the employment site will need to make available to the audit team on the day of the audit, including:

    / employment site layout / floor plan;

    / company policies (including but not limited to child labour, discipline, discrimination and harassment, Health & Safety etc.);

    / government inspection reports, e.g. sanitation, fire safety, structural safety, environmental compliance, etc.;

    / procedures (e.g. grievance/complaints and disciplinary procedures);

    / evidence that procedures are followed;

    / collective Bargaining Agreements (CBA);

    / employment contracts;

    / recruitment procedure;

    / personnel records;

    / employee handbook;

    / training records;

    / health and safety documents:
      - hazardous chemicals list;
      - accident book;
      - chemical log;
      - machinery inspection/service logs;
      - accident and injury log;
      - emergency action procedures;
      - evacuation plan;
      - fire drill log;
      - minutes of joint committees on health and safety;

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3. GSCP has launched an Expert Working Group that works exclusively on auditor competence. Its role is to identify and gather best practice in that area in order to build reference requirements for recognition of auditors and auditing bodies.

INTRODUCTION □ Background and context review □

RISK ASSESSMENT SYSTEM □ Audit organisation □

AUDIT REQUEST ■ Communicating the audit arrangements ■

PREPARATION □ Supplier preparation □

AUDIT EXECUTION

AUDIT OUTPUTS

GLOSSARY

APPENDICES

/ payroll records for past 12 months:
  - pay records for high and low points of the season;
  - hours and/or attendance records;
  - evidence that payments have been made;

/ piece rate records for the past 12 months (if applicable);

/ time records for the past 12 months;

/ production records;

/ minutes of meeting with workers representatives/unions;

/ minutes of meetings on disciplinary matters;

/ insurance, tax and other required receipts;

/ permits, operating licences, Certificates of Operations, etc.;

/ previous social audit reports/Corrective Action Plan Report.

3.3.2 Sample audit agenda

CLIENT NAME	AUDIT DATE(S)	JOB N°
Employment site name and address		

DAY 1 – DATE

DURATION	TEAM A - MEMBER: X	TEAM B - LEADER: Y
Morning	**Opening meeting & plant tour**	
	• Focus group interviews 1. Child Labour and forced labour; 2. Health & Safety, freedom of association, discrimination. • One-to-one Interviews - Working hours, compensation; - Include workers' representative if available.	• Accounts Department - Document review: Time records, daily job record, payroll records. • Kitchen & canteen and dormitory - Hygiene issues; - Health and safety.
Lunch time	**Lunch break / Auditors' meeting**	
Afternoon	• Employment site Tour - Workshops, clinic & worker accommodation; - Health and safety - Child labour and forced labour. • One to one interviews - Security guard and workers.	• Administration Department - Document review: Personnel record, Employment contracts, H&S records, Employment site rules, Disciplinary practices. • Management Representative - Social accountability systems/policy; - Control of suppliers/ subcontractors.
	Clarification / Auditor meeting	
	Closing meeting / End of the audit	

3.4 Supplier preparation

Employment site management should ensure that:

- all documentation is available on the day of the audit. This includes information and documents that are usually stored at another location (e.g. a central office where payroll data is processed);

- relevant personnel are at the employment site;

- supervisors and managers are instructed to allow unobstructed access to auditors.

3.4.1 Information for workers

Clear information about the audit should be communicated by the employment site to workers explaining the purpose of the visit and the process. This information should be available in the principal languages spoken by workers and should include:

- purpose and scope of the audit;

- introduction to auditors and their role (emphasising they are independent and external);

- process including confidentiality of worker interviews;

- contact details for the auditor and for any whistle-blowing facility supported by the audit requestor.

Sample communication

....

On *(insert date)*, representatives from *(insert audit company)* will be visiting *(insert employment site name)* to assess working conditions.

The representatives will be looking at the following areas:

- management systems;

- forced, bonded, indentured and prison labour;

- child labour and young workers;

- freedom of Association and the right to collective bargaining;

- discrimination, harassment and abuse;

- health and safety;

- wages, benefits, terms of employment;

- working hours.

The visit will consist of meetings with management, a facility inspection, document reviews, and worker interviews.

The purpose of the worker interviews is to help identify any issues or good practice on-site. The interviews are strictly confidential and the identity of workers who participate will remain anonymous.

You may be selected by the audit team for individual and/or group interviews, or you may be asked questions by the representatives from *(insert audit company)* as they walk around *(insert employment site name)*. The selection of workers is based on a representative sample and you are not required to participate in interviews.

If you would like to get in touch with the representatives from *(insert audit company)* to discuss the audit or any other issues, please do not hesitate:

(Insert contact details of audit company)

INTRODUCTION

RISK ASSESSMENT SYSTEM

AUDIT REQUEST

PREPARATION

AUDIT EXECUTION

AUDIT OUTPUTS

GLOSSARY

APPENDICES

Opening meeting ■

Employment site tour □

Interviews □

Document review □

Alert notifications □

Audit team pre-closing meeting □

Closing meeting □

AUDIT PROCESS AND METHODOLOGY REFERENCE TOOLS - OCTOBER 2009 ■

4. AUDIT EXECUTION

The audit should include the following:

• opening meeting;

• employment site tour (and optional perimeter survey);

• management and worker interviews;

• document review;

• audit team pre-closing meeting;

• closing meeting, including summary of findings;

• agreement of findings;

• off-site visits when necessary (e.g. to interview homeworkers; in case a site has part of its operation carried on by a subcontractor or if there is no guarantee of anonymity for workers interviewed).

This chapter sets out best practice for each step of the audit.

As a general principle, the conduct of the audit team at all times must be in the best interest of the workers.

4.1 Opening meeting

The opening meeting must be conducted in the language spoken by management. It should be attended by relevant people including:

• senior management;

• managers responsible for key functions;

• Trade Union or worker representatives.

This should be formally presented in a format agreed with the audit requestor to ensure the audit requestor's perspective is clearly communicated in an appropriate tone.

In the opening meeting, the audit team should:

• introduce the audit team;

• explain the purpose and scope of the audit, including:

/ potential benefits to the employment site (opportunity for management to identify and manage risk, opportunity to engage in continuous improvement, opportunity to meet customer needs etc);

/ clarify that the purpose of an audit is continuous improvement;

/ the standard against which the audit will be conducted (code of conduct, applicable law, international law, collective agreement when relevant, whichever affords the highest level of protection);

• explain that the minimum requirement is transparency;

• outline the audit process;

• review the information provided in the pre-audit employment site profile (including previous corrective action report and follow-up actions);

• request a list of workers who are scheduled to work that day together with any details that may be required to ensure a representative sample can be chosen for interview (such as gender, nationality, contract type);

• confirm the structure of the worker interviews and the availability of an appropriate space where they will be conducted;

• confirm any special arrangements/ precautions required for the employment site tour;

• confirm permission to take photographs;

• agree process for communicating issues as they arise during the audit. It is best practice to communicate issues as they arise to build consensus around findings and corrective actions and allow management to:

/ provide additional evidence where necessary;

/ address issues immediately;

• confirm the importance of attendance at the closing meeting and ensure that all key personnel can attend;

• provide an opportunity for questions and to address concerns.

Note: If employment site management does not agree to the participation of worker representatives, auditors should note this and arrange a separate meeting with worker representatives.

□ Opening meeting ■ Employment site tour □ Interviews □ Document review □ Alert notifications □ Audit team pre-closing meeting □ Closing meeting

INTRODUCTION

RISK ASSESSMENT SYSTEM

AUDIT REQUEST

PREPARATION

AUDIT EXECUTION

AUDIT OUTPUTS

GLOSSARY

APPENDICES

4.2 Employment site tour

4.2.1 Process

The purpose of the employment site tour is to enable the audit team to observe the physical conditions and current practices in all areas of the employment site and to form a view of how physical conditions measure up to the audit requestor's policy, applicable codes of conduct, legal and regulatory requirements and any other requirements.

The findings from the tour are triangulated with evidence from management and worker interviews and document review.

As a general principle, the auditor should be able to visit all the areas of the employment site and should set the pace of the tour. However, in some cases, employment sites may prohibit visitors from walking unaccompanied through employment site production areas or forbid photography for reasons of safety or commercial confidentiality.

The auditor should note restrictions on access or photography in the audit report, and if restrictions seem unreasonable should escalate according to the audit requestor's policy.

Auditors should make every effort to ensure production is not disrupted during the employment site tour, whilst ensuring that they are able to view the production area during busy production periods. It should be possible to move around the site without delaying or halting production.

The ability of management to continue production at the site during a visit is crucial to gaining an accurate idea of working conditions and to securing management co-operation for the remainder of the visit. Auditors should keep this in mind during the site tour.

In order to achieve this, the auditor should for example:

- ask that they be accompanied by only one or two people; usually the site or H&S manager;

- be aware of site traffic;

- avoid walking where workers are trying to move or transport product from one area to another.

The audit team should walk around the employment site, production areas, storage rooms, despatch areas, workers' canteen, kitchen, and if present housing, crèche and medical facilities and all other areas with managers in order to:

- understand the work done at the employment site;

- evaluate health and safety practice;

- identify potentially vulnerable groups of workers;

- note other physically observable evidence that relate to other areas of the standards;

- cross-check whether all processes necessary for the production of finished produce are carried out in-house, at the employment site or whether there are indications that some operations may be sub-contracted to other units;

- observe management systems and practices, including atmosphere between management and workers.

The team should raise issues as they arise during the employment site tour, giving managers the opportunity to seek clarification, respond, and provide explanations or further evidence.

The auditor should focus on:

- work environment (space, temperature, tidiness, etc.);

- work stations (space provided, chairs for pregnant workers, etc.);

- fire equipment and emergency equipment;

- machine protection and maintenance;

- emergency procedures;

- personal protective equipment;

- first aid equipment;

- hazardous substances storage, handling and disposal;

- waste management;

- toilets and sanitation;

- potable water;

- canteen hygiene and safety when applicable;

- dormitory hygiene and safety when applicable;

- young-looking workers;

- indications of restrictions of workers' freedom of movement;

- indications of infringements of workers' dignity;

- selection of individual workers for interviews on the spot, at the production location or close-by, or for subsequent interview sessions;

- quality records;

- production records;

- time records;

- display of codes of conduct or labour law;

- display of information relating to Trade Union or workers committee meetings;

- any indications of discrepancies between employment site operations and the protection of workers' rights.

INTRODUCTION | Opening meeting

RISK ASSESSMENT SYSTEM | Employment site tour

Interviews

AUDIT REQUEST | Document review

PREPARATION | Alert notifications

AUDIT EXECUTION | Audit team pre-closing meeting

AUDIT OUTPUTS | Audit team pre-closing meeting

GLOSSARY | Closing meeting

APPENDICES

4.2.2 Optional perimeter survey

A perimeter survey can be useful to provide supplementary information about the employment site and its local context and to identify specific risk issues **[see Section 3.1].**

The perimeter survey should focus on:

- the surrounding environment (e.g. industrial park, neighbourhood, business district, etc.) and its advantages/constraints;

- neighbouring facilities (e.g. hospitals, clinics, restaurants, shops, recreation, fire protection, police, waste disposal, etc.);

- local perceptions of the employment site (e.g. work hours, labour issues, support for local community, waste discharge, etc.);

- other facilities located on the employment site property (e.g. dorms, canteen, clinic, water treatment vs. external water discharge);

- the physical construction and layout of the employment site (e.g. structures on the property, access to employment site via fences or gates, worker transport, exits off the grounds, etc.);

- other production units within the employment site property which are not part of the scope of the audit.

4.3 Interviews

Interviews with managers, Trade Union representatives (and/or other workers' representatives) and workers will take place on-site. However, it may be appropriate to carry out additional worker interviews off-site.

4.3.1 Worker interviews

Points raised by workers should be fed back as early as possible to members of the team carrying out management interviews or document review to facilitate verification.

Audit team members carrying out worker interviews must have the skills to make workers feel at ease. It is best practice to use interviewing techniques to encourage interviewees to identify the issues of most importance to them, and to uncover hidden issues such as discrimination and intimidation. In any case, the interviewer should use appropriate body language (e.g. avoid sitting behind a desk, make regular eye contact, smile, etc.).

Selection:

- the worker interview sample size should be based on the different numbers of permanent, temporary and agency workers as outlined in the methodology in section 3.2.2;

- workers within the three contract type categories should be randomly selected by the audit team only and never by management, from various locations around the employment site, and, if possible, during various shifts;

- the audit team must keep control of the selection of workers, using a variety of selection techniques throughout the audit;

- the selection of workers should be done as late as possible i.e. just before the interview is due to take place, in order to minimise the risk of workers being coached;

- workers selected must be representative of worker type and departments within the employment site;

- the interviewer should aim to talk to a wide range of workers including potentially vulnerable workers and those in less skilled positions, taking into account:

  / the gender balance of the workforce;
  / the spectrum of ethnic, national, linguistic, migrant or religious groups;
  / youngest and oldest workers;
  / different departments, including security and canteen workers as well as production workers;
  / different designations, for example rank and file workers and supervisors;
  / worker representatives;
  / health and safety committee representative(s);
  / new employees / trainees (to evaluate training quality);
  / workers in all pay grades (i.e. lowest pay grades, highest pay grades) in order to evaluate wages and working hours;
  / pregnant women;
  / employees from different shifts;
  / workers not wearing uniform;
  / workers who have taken leave recently.

Location:

- formal interviews should take place in a quiet, private area away from management offices with no representatives of management present;

- informal interviews may also take place during the physical tour of the employment site, at lunch time or in breaks. Workers should be interviewed individually and in groups;

- other suitable locations, e.g. in workers homes or in local shops and cafes used by workers;

- interview approach and language;

- interview approaches should be appropriate for the local situation, ideally semi-structured interviews, focus groups, ranking and/or other participatory tools should be used;

- in cases where there is a multi-lingual workforce, worker interviewers may work through a translator to access the views of workers from minority groups;

- translators should not be used to support interviews with language groups which make up 50% or more of the workforce. In these cases, the worker interviewer must be a native speaker of the language concerned;

- translators must be independent of employment site management and must speak the language concerned.

Prioritisation of workers:

- auditors must prioritise the protection of the workers interviewed;

- auditors should ensure that problems raised by workers are discussed with management in a non-attributable way. Auditors must ensure that the comments they report cannot be traced back to an individual worker;

- auditors/worker interviewers should leave a contact telephone number, preferably their mobile number and their local office phone number, with all workers interviewed so that workers can alert the worker interviewer if there are reprisals or intimidation;

- the auditor should keep a confidential note of who is being interviewed;

- when workers raise issues which could be directly attributable to one particular worker and/or could result in reprisals against workers, these should be reported directly to the audit requestor (where this is not the employment site itself) for advice on how best to handle the issue at the closing meeting. If the audit requestor is not able to give guidance before the closing meeting, the issue should not be raised at the closing meeting **[see Appendix 4 "Reference Alert Notification"].**

In order to protect workers from retaliation, the names of workers involved in identifying an issue must never be divulged to the employment site, supplier or audit requestor. However, in circumstances where the best interests of the worker cannot be met without disclosure of information (for example, names of child workers who need to be removed from hazardous employment) the auditor will ensure that such details as may be required to identify workers who require immediate remediation are made known to the relevant parties, including customers of the site where appropriate.

Interview Structure:

- introduction: The audit team should introduce themselves and communicate the purpose of the audit. They should assure interviewees that all information shared during the interview will remain unattributed;

- confidentiality: No manager or representative of the employment site, apart from the workers concerned, should be present during any worker interview.

4.3.1.1 Individual interviews

Individual interviews are the most effective method for gathering specific details about the work environment and for discussing issues such as pay rates, management style, discrimination, harassment, etc. Some workers feel more comfortable talking about these issues on a one-to-one basis.

Auditors should respond to any signals (verbal and non verbal) from workers and may choose to convert an individual interview to a group interview or vice versa in order to accommodate workers' needs.

4.3.1.2 Group interviews

Group interviews enable more rapid consultation with a larger number of people. Some workers may be encouraged to talk more freely in the presence of colleagues. Group interviews can be useful at the beginning of an audit to gather information quickly to inform the audit process. Group interviews are also effective for gathering data on specific issues, and exploring the nature or scope of a finding in greater depth. Auditors should never use group interviews to discuss personal issues such as an individual's wages.

4.3.2 Management interviews

The audit team should work through the relevant code talking in depth to the managers concerned on each issue area. Open questions and discursive interview techniques should be used. It is important to talk to the senior managers, but also less senior managers who may have a different perspective.

4.3.3 Administrative/clerical staff interviews

The audit team should work with administration staff (such as payroll clerks and welfare officers) combining interviews with document review. Management should not be present.

4.3.4 Union and workers representative interviews

The audit team should discuss with union and/or worker representatives their role at the employment site. Specific attention should be paid to any training and support given by the Trade Union, as well as the union representatives' knowledge of collective bargaining agreements and union procedures for worker participation. The auditor should gain an understanding how the Trade Union is organised at a local level, its relationships with workers and management.

□ Opening meeting □ Employment site tour ■ Interviews □ Document review □ Alert notifications □ Audit team pre-closing meeting □ Closing meeting

INTRODUCTION

RISK ASSESSMENT SYSTEM

AUDIT REQUEST

PREPARATION

AUDIT EXECUTION

AUDIT OUTPUTS

GLOSSARY

APPENDICES

INTRODUCTION □ Opening meeting □

RISK ASSESSMENT SYSTEM □ Employment site tour □

AUDIT REQUEST □ Interviews □

PREPARATION □ Document review ■

AUDIT EXECUTION □ Alert notifications □

Audit team pre-closing meeting □

AUDIT OUTPUTS □ Closing meeting □

GLOSSARY

APPENDICES

4.3.5 Homeworkers

Where an audit or a pre-audit employment site profile has indicated that production processes are undertaken by homeworkers, then the auditor should aim to ensure that these workers are included in the audit process. In cases where this is not possible, for example due to location constraints, then a separate audit of homeworkers and their working conditions should be conducted.

4.4 Document review

In countries where there are data protection requirements (e.g. all EU countries), auditors should obtain the written permission of workers to view personnel files during the interviews. Workers should be assured that they are able to refuse permission to view their files if they so wish.

Example data protection consent form:

In order to administer your employment, your employer collects and uses certain personal information (such as your contact details and pay records). This information constitutes your personnel file.

(Insert Audit Company Name) has been engaged to review the working practices of your employer for the purposes of ensuring compliance with the *(Insert Code(s))* about labour standards. As part of this review, *(Insert Audit Company Name)* will need access to your personnel file.

You have confirmed that you are happy for (Insert Audit Company Name) to have access to your personnel file for the purposes of the review.

Please sign below to give your permission.

4.4.1 Document sampling

The documentation requested by the auditor should be available on-site, including payroll and records of time, safety trainings, machinery maintenance, fire equipment and hazardous materials. Auditors should request time and payroll records for 12 consecutive months **[see Section 3.3.1].** If records for the previous 12 months are not available, the employment site should explain why this is the case.

For example, the employment site has been operational for less than twelve months. From the 12-month set of data, auditors should review at least three months' worth of consecutive records and should include records for the low season, the peak season, holiday periods and the most recent period available.

The auditor should go through a comprehensive document trail including the following (this is not an exhaustive list):

• employment site layout / floor plan;

• company policies (including but not limited to child labour, discipline, discrimination and harassment, Health & Safety etc.);

• government Inspection Reports, e.g. sanitation, fire safety, structural safety, environmental compliance, etc.;

• procedures (e.g. grievance/complaints and disciplinary procedures);

• evidence that procedures are followed;

• collective Bargaining Agreements (CBA);

• employment contracts;

• personnel records;

• employee handbook;

• training records;

• health and safety documents:

　/ hazardous chemicals list;

　/ accident book;

　/ chemical log;

　/ machinery inspection/service logs;

　/ accident and injury log;

　/ emergency action procedures;

　/ evacuation plan;

　/ fire log drill;

　/ minutes of joint committees on health and safety;

• payroll records:

　/ pay records for high and low points of the season;

　/ hours and/or attendance records;

　/ evidence that payments have been made;

• piece rate records (if applicable);

- time records;

- production records;

- minutes of meeting with workers representatives/unions;

- minutes of meetings on disciplinary matters;

- insurance, tax and other required receipts;

- permits, operating licences, Certificates of Operations, etc.;

- previous social trade audit reports/Corrective Action logs.

Particular emphasis should be placed on evidence that there is a systematic approach to managing all aspects of the relevant code.

4.5 Alert notifications

Where a 'critical' non-compliance is identified, the auditor should, wherever possible, inform the audit requestor within 24 hours. If the audit requestor is on site, the auditor should communicate the critical non-compliance immediately. This will enable the audit requestor and the employment site to work together to plan an appropriate and timely resolution to the issue.

If an auditor believes they might be at risk as a result of communicating a critical non-compliance, the audit team should wait until it is removed from that situation before issuing the alert notification.

4.6 Audit team pre-closing meeting

The audit team should meet before the closing meeting to discuss the findings of the audit (interviews, document checks, employment site tour) and identify inconsistencies, non-compliances, observations, and good practice. The analysis of evidence gathered is a pre-requisite to the closing meeting. It must be completed even if the auditor is alone at the employment site.

The audit team should prepare for the closing meeting by identifying and agreeing:

- non-compliances found including:

  / their status/severity (critical, major, minor);

  / specific evidence found;

  / recommended corrective actions, how these can be verified, and a suggested timeframe for completion;

- systematic problems and issues from one-off, isolated, non-systematic issues;

- the root cause of problems, where possible;

4.4.2 Document inconsistencies

Inconsistencies between different types of documents and worker testimony should be considered a critical non-compliance and raised with the employment site management as early as possible during the audit. Management should be encouraged to provide accurate records which present the full picture of the employment site's operations for review prior to the closing meeting.

If a non-compliance related to working hours or compensation requirements is identified, the audit team should identify the context of the issue, and its frequency, the number of people impacted and the department(s) concerned both at the closing meeting and in the audit report.

Auditors should prioritise the welfare of workers when deciding how to inform employment site management of any critical non-compliance. Auditors should follow the escalation policies of the audit requestor to minimise any risk to workers.

A description of how to evaluate non-compliances can be found in paragraph "4.6.1 Non-compliances, Observations and Good Practices Evaluation"

Examples of critical non-compliances can be found in the tables in "4.6.1.1 Categorisation Examples".

A reference alert notification is available in Appendix 4.

- good practice examples;

- a prioritisation of issues;

- any requests for additional information or evidence.

The reference Summary of Findings and Corrective Actions (Appendix 7) has been designed to provide a structure to the audit team's findings and help the audit team develop a corrective action plan and structure a closing meeting.

The reference Summary of Findings and Corrective Actions includes:

- audit findings: Summary of non-compliances, good practice, and evidence found;

- classification of non-compliances;

- reference to the applicable code of conduct and/or law which has been contravened;

- recommended corrective actions: Auditors suggestion on how the audit findings can be resolved;

□ Opening meeting □ Employment site tour □ Interviews □ Document review ■ Alert notifications ■ Audit team pre-closing meeting □ Closing meeting

INTRODUCTION RISK ASSESSMENT SYSTEM AUDIT REQUEST PREPARATION AUDIT EXECUTION AUDIT OUTPUTS GLOSSARY APPENDICES

INTRODUCTION

Opening meeting □

RISK ASSESSMENT SYSTEM

Employment site tour □

Interviews □

AUDIT REQUEST

Document review □

PREPARATION

Alert notifications □

AUDIT EXECUTION

Audit team pre-closing meeting ■

AUDIT OUTPUTS

Closing meeting □

GLOSSARY

APPENDICES

- person/party responsible for corrective action;

- verification method:
  / a desk-based follow up may be used to verify corrective actions for minor non-compliances but provide less assurance than a follow-up audit. Desk-based verification should check corrective actions through photos, copies of certificates, invoices, etc. submitted by the employment site. Desk-based follow-up cannot be used where actions need to be verified through worker testimony;
  / follow-up audit are recommended for critical or major non-compliances or when corrective actions can be evaluated only through interviews and extensive documentation reviews [see Section 5.4.1 for guidance on conducting follow-up audits];

- timescale for completion: the amount of time required for the issue to be closed. The time allocated for corrective actions to be completed should be appropriate, realistic and timely.

The Summary of Findings and Corrective Actions should:

- be clearly described and presented in both English and the language spoken by the employment site management;

- be distributed as follows:
  / one original, signed copy for the employment site manager;
  / a second original, signed copy retained by the auditor together with other audit documentation;
  / a hard or soft copy to the audit requestor.

4.6.1 Non-compliances, observations and good practice evaluation

Auditors should classify non-compliances, observations and good practice examples to indicate the relative importance of each.

Follow-up audits are recommended for critical or major non-compliances or when corrective actions can be evaluated only through interviews and extensive documentation reviews [see Section 5.4.1 for guidance on conducting follow-up audits].

Non-compliance can be categorised as:

- minor non-compliance;

- major non-compliance;

- critical non-compliance.

Auditors can also note Observations and instances of Good Practice.

Non-compliances and observations should be classified according to:

- the frequency of the problem and whether the issue is an isolated occurrence;

- the potential severity of the problem;

- the probability of recurrence;

- the management system in place;

- the response of the management.

A minor non-compliance is:

- an occasional or isolated problem;

- an issue which presents a low risk to workers/those on-site;

- a policy issue or misunderstanding where there is no evidence of a material breach.

A major non-compliance is:

- a breach which represents a danger to workers/those on-site;

- a material breach of a code requirement/law. A systematic violation of a code requirement/law.

A critical non-compliance is:

- an issue which presents imminent risk to workers' safety/ risk to life and limb or constitutes a significant breach of workers' human rights, and/or;

- a major non-compliance that has not been addressed or for which no significant improvement has been made by the time of a follow up audit, in spite of supplier commitment to resolve the issue;

- an attempt to pervert the course of the audit through fraud, coercion, deception or interference.

Critical non-compliances include:

- inconsistencies between different types of documents and worker testimony [see Section 4.4.2];

- child labour (reported or confirmed through documentation);

- involuntary, indentured, or involuntary prison labour (including forced overtime and absence of payment);

- workers subjected to physical abuse;

- workers subjected to sexual harassment or abuse;

- workers in immediate danger;

- workers not being paid at all;

- workers subjected to discriminatory practices (e.g. during recruitment, workers are tested for medical conditions not required by law or product safety requirements, e.g. pregnancy, HIV/AIDS, hepatitis etc.);

□ Opening meeting   INTRODUCTION

□ Employment site tour   RISK ASSESSMENT SYSTEM

□ Interviews   AUDIT REQUEST

□ Document review   PREPARATION

□ Alert notifications

■ Audit team pre-closing meeting   AUDIT EXECUTION

□ Closing meeting   AUDIT OUTPUTS

GLOSSARY

APPENDICES

- union members, union or worker representatives are actively harassed, penalised or discriminated (directly or indirectly) against;

- attempted bribery;

- auditors denied access or obstructed from conducted from conducting a proper audit;

- evidence of the deliberate provision of false information to auditors so as to disguise unfair labour conditions.

Critical non-compliances should trigger an alert notification **[see Section 4.5].**

An observation is:

- the identification of an opportunity for improvement;

- a possible issue which may develop into a non-compliance without further action;

- an issue which the auditor has some evidence to indicate may be present, but is not confirmed by more than one data point.

A good practice example is:

- an issue that the auditor feels is over and above the standard against which the employment site was audited.

The auditor must be able to justify his/her classification with detailed evidence.

4.6.1.1 Categorisation examples

The below provides guidance on how to categorise different issues as good practice or minor, major or critical non-compliances. The list is not exhaustive but should give an indication of how various issues should be considered in light of the Reference guidelines and the Reference code. These examples are for illustration only; auditors should still use their discretion when classifying non-compliances.

Management systems

Good Practice	Employment site policies and procedures are regularly reviewed, in consultation with internal and external stakeholders, to ensure that they meet international fair labour standards.
	Management communicates the requirements of international labour standards to subcontractors, and requires them to work to adhere to them.
	Management have implemented an auditing programme and audit all suppliers, subcontractors and labour providers.
Minor Non-Compliance	The employment site's fair labour policies and procedures have not been communicated to workers.
	There are no relevant written policies or procedures at the employment site, but working practices are in line with international standards.
Major Non-Compliance	Management does not keep a list of and the contracts with sub-contractors and suppliers.
	There are no policies and procedures at the employment site, and conditions are not in line with international standards.
Critical Non-Compliance	Management openly flouts the law despite knowledge of their responsibilities.
	Management attempted to bribe the auditors.
	False records were provided to the auditors or management refuse to give true records to auditors.

Forced, bonded, indentured and prison labour

Good Practice	The employment site works with the government on a scheme for the rehabilitation of offenders, employing prisoners to build their skills before release.
	Employee handbooks explain the process for workers to give notice if they wish to leave employment.
	Workers interviewed are able to describe the process for giving notice.
	Workers have access to no-interest loans. Where used, workers have agreed loan amounts and repayment terms in writing, have a copy of their agreement, and workers clearly understand the repayment terms and conditions.
Minor Non-Compliance	The process for workers to give notice is not effectively communicated in a language workers understand or a mechanism they can access.
	A handful of personnel files do not contain evidence of workers' written consent to deductions.
	Monetary deposits are taken from workers (e.g. for accommodation or PPE).
Major Non-Compliance	Prisoners work voluntarily, but are not paid at least the legally applicable wage for all hours worked.
	The employment site restricts the movement of workers (e.g. workers cannot go to the toilets freely; workers cannot take their rest breaks; gate passes, toilet cards, aggressive prevention of movement, intimidation). This is valid for both the employment site and/or dormitory areas.
	Unreasonable notice requirements or financial penalties for leaving. (e.g. the final payment for workers who leave employment is withheld for one month before being paid).
	Deductions not stipulated in law take workers below the legal minimum wage.
Critical Non-Compliance	Prison workers (or any other worker) have no choice about whether they work or not.
	Workers are working to pay off a debt to their employer and have no choice about their work and/or feel unable to leave.
	Workers are unable to leave employment because their deposits or other money they are owed are withheld, or because management refuses to give workers their original identity papers.
	Workers are not paid at all.

Child labour

Good Practice	The employment site has a robust age verification process, including stringent checks on the validity of documentation and a requirement for two forms of photo ID.
	Young workers are registered with local authority where required by local legal requirements.
	Management takes steps to ensure suppliers are aware of child labour policies and carries out regular checks on supplier sites to ensure that there are no children employed.
	The employment site has a robust young worker management system in place, which ensures that young workers do not work in hazardous positions, at night or longer than they are supposed to as specified by the law.
Minor Non-Compliance	A handful of personnel files do not contain a copy of country appropriate age verification documentation.
	The personnel files of young workers do not contain written consent from a parent or guardian (if required by law).
	The employment site has no formal policy on child labour.
Major Non-Compliance	Management do not know the minimum legal working age in their country and/or how to verify age of workers.
	The employment site does not have any age verification process when recruiting new workers.
Critical Non-Compliance	The employment site consciously employs child labour and is complicit in forging documents.
	Child workers have presented fake ID cards during the recruitment process and employment site failed to spot them.
	There are one or more children working at the employment site.
	Young workers engage in hazardous, night or overtime work.
	The employment site refuses to engage in a proper remediation programme for child labourers.

□ Opening meeting □ Employment site tour □ Interviews □ Document review □ Alert notifications ■ Audit team pre-closing meeting □ Closing meeting

INTRODUCTION
RISK ASSESSMENT SYSTEM
AUDIT REQUEST
PREPARATION
AUDIT EXECUTION
AUDIT OUTPUTS
GLOSSARY
APPENDICES

INTRODUCTION | Opening meeting □
RISK ASSESSMENT SYSTEM | Employment site tour □
| Interviews □
AUDIT REQUEST | Document review □
PREPARATION | Alert notifications □
AUDIT EXECUTION | Audit team pre-closing meeting ■
AUDIT OUTPUTS | Closing meeting □
GLOSSARY
APPENDICES

Freedom of association and the effective recognition of the right to collective bargaining

Good Practice	Management pays representatives for the time they spend carrying out their representative functions.
	Worker representatives are allocated time every month to discuss union matters with union members. This is over and above normal union commitments.
	Management actively engages in day to day conversations with workers to understand their needs and suggestions.
	The union (or parallel means) has been effective in defusing disagreement between workers and management. They have successfully negotiated conditions that are over and above legal and industry norms.
Minor Non-Compliance	Workers do not have a copy of their union dues deduction agreements but workers report knowing about these deductions and have given their written consent for these deductions to be taken.
	Management sometimes postpones Trade Union meetings during peak production periods.
	The employment site does not provide union representatives with adequate facilities for them to carry out their activities.
	Workers are unaware of how to raise issues with management or they are unaware of who their representatives are.
Major Non-Compliance	Information relating to collective bargaining agreements is not circulated to workers. Management does not permit union/committee notices to be posted publicly on notice boards.
	Management does not restrict the activities of Trade Union representatives, but do not pay them for reasonable time spent on union activities.
	Management does not allow regular Trade Union meetings to be held.
	The employment site does not comply with collective agreements.
	Collective Bargaining Agreements are not confirmed in writing.
Critical Non-Compliance	Management prevents workers from organising themselves.
	Membership of Trade Unions is prohibited and/or workers are prevented from becoming members of a union.
	Management actively harasses, penalises or discriminates (directly or indirectly) against union members, union or worker representatives.

Discrimination, harassment and abuse

Good Practice	Workers' contracts of employment confirm that all workers in the same roles are engaged under the same terms and conditions. (e.g. equal pay for roles of equal value).
	Full explanations of all policies are available to all workers in relevant language(s).
	Workers understand the discipline and grievance procedures of the employment site and report that they are fair and easy to access.
	When observing interaction between workers and workers and management, there is a supportive atmosphere. Workers are supported to improve their performance in a helpful manner.
	Workers think that promotion is possible and open to all. They can provide examples of where this has happened in the past.
Minor Non-Compliance	The employment site does not have written policies on discrimination, harassment, or abuse.
	Discipline and/or grievance procedures are not communicated to workforce.
	Management and/or supervisors do not understand/follow the discipline and/or grievance procedures.
Major Non-Compliance	Workers feel discriminated against by management and/or other workers.
	Workers are shouted at by management.
	Management uses fines as a disciplinary measure.
Critical Non-Compliance	There is evidence of sexual, physical or verbal abuse.
	Discrimination in recruitment is practiced e.g .age, caste, disability, ethnic and/or national origin, gender, membership in unions, political affiliation, race, religion, sexual orientation, marital status, family responsibilities, social background.
	During recruitment, workers are tested for medical conditions not required by law or product safety requirements, e.g. pregnancy, HIV/AIDS, hepatitis etc.
	Workers are dismissed when they become pregnant.
	Workers are subject to different treatment and/or terms and conditions and/or different working conditions based on criteria which do not relate to skill or merit e.g. age, caste, disability, ethnic and/or national origin, gender, membership in unions, political affiliation, race, religion, sexual orientation, marital status, family responsibilities, social background or other personal characteristics.

□ Opening meeting □ Employment site tour □ Interviews □ Document review □ Alert notifications ■ Audit team pre-closing meeting □ Closing meeting

INTRODUCTION

RISK ASSESSMENT SYSTEM

AUDIT REQUEST

PREPARATION

AUDIT EXECUTION

AUDIT OUTPUTS

GLOSSARY

APPENDICES

Health and safety

Good Practice	Management provide health and safety training for all workers both on the employment site and those engaged in work on other sites on behalf of the employment site.
	Management takes steps to prevent accidents before they happen. Use H&S information to refine systems and take action to improve overall process.
	The employment site has a functioning H&S committee with a high proportion of workers, which meets regularly with management and is very effective in managing H&S on site.
	Health and Safety training is conducted for all new workers, and repeated periodically for all workers to ensure that they are aware of risks, changes to their working environment or new requirements.
Minor Non-Compliance	**Fire/Emergency Evacuation** • Evacuation plans are not posted for workers to see. • Incomplete/absent records from fire evacuation drills in factory and/or accommodation. • Fire extinguishers are not installed at correct height/other non-functional requirements are not met.
	Housekeeping • Poor or inadequate lighting in production or other areas. • Inadequate and/or unhygienic facilities for washing and/or drying hands. • No testing of water potability. • Isolated failures to carry out medical examinations.
	Accommodation / Canteen • Isolated failures in maintenance in accommodation. • Insufficient seating in canteen/dining area.

•••

INTRODUCTION | Opening meeting □
RISK ASSESSMENT SYSTEM | Employment site tour □
| Interviews □
AUDIT REQUEST | Document review □
PREPARATION | Alert notifications □
AUDIT EXECUTION | Audit team pre-closing meeting ■
AUDIT OUTPUTS | Closing meeting □
GLOSSARY
APPENDICES

...

Major Non-Compliance	**Chemical Handling** • No training on safe use and/or safe handling of chemicals. • Unsafe practice when handling chemicals. • No process in place to ensure vulnerable workers such as young workers or pregnant women are not working with or in vicinity of chemicals.
	PPE • Management do not provide the correct PPE to workers. • Workers do not have or do not always wear the correct PPE for the work, chemicals and machines that they are using.
	Fire/Evacuation • Emergency escape routes are not clearly signalled.
	Housekeeping • Inadequate extraction in areas where chemicals are used. • Extremely bad ventilation, air conditioning or lighting in any part of the production area. • Toilets are not hygienic and/or are not cleaned on at least a daily basis.
	Canteen • Canteen and/or food storage is unhygienic. • Canteen/kitchen employees have not had appropriate health checks and/or obtained appropriate hygiene certificates.
	First aid • First Aid boxes not freely accessible and/or not appropriately/adequately stocked. • There is no member of staff trained in administering basic first aid.
	Training • Lack of appropriate training on safe use of equipment or handling of loads. • No senior manager designated with responsibility for health and safety.
Critical Non-Compliance	**Fire/Emergency Evacuation** • There are less than 2 accessible, unlocked and unblocked fire exits on each floor.
	PPE/Machinery • Machinery / equipment do not have the required safety guards and pose a direct threat to workers' lives or limbs. • The employment site requires non-refundable monetary deposits from workers to get their job, protective equipment, training or other items.
	Canteen • Accommodation is unsafe and poses immediate risk to workers' lives or limb.
	Housekeeping • Dangerous storage of production materials causing any risks to workers' lives or health. • No access to potable water.
	Others • Premises are not structurally safe.

□ Opening meeting   □ Employment site tour   □ Interviews   □ Document review   □ Alert notifications   ■ Audit team pre-closing meeting   □ Closing meeting

INTRODUCTION
RISK ASSESSMENT SYSTEM
AUDIT REQUEST
PREPARATION
AUDIT EXECUTION
AUDIT OUTPUTS
GLOSSARY
APPENDICES

Sidebar navigation (left margin):

INTRODUCTION · Opening meeting □
RISK ASSESSMENT SYSTEM · Employment site tour □
Interviews □
AUDIT REQUEST · Document review □
PREPARATION · Alert notifications □
AUDIT EXECUTION · **Audit team pre-closing meeting** ■
AUDIT OUTPUTS · Closing meeting □
GLOSSARY
APPENDICES

Wages, benefits and terms of employment

Good Practice	Workers are paid regularly, at least once per month and in line with their contract of employment.
	Work outside normal hours (e.g. at night or at weekend) is paid a premium over and above local law and/or industry requirements.
	Workers are paid above legal requirements and industry standards.
	Workers are able to significantly increase their earning potential through a production bonus or other bonus scheme.
	All workers have a signed copy of their contract of employment and this reflects how their terms and conditions operate in the place of employment.
	The contract is written in their native language and details their regular hours, remuneration, notice period and all other applicable terms and conditions.
Minor Non-Compliance	Workers are dependent on overtime pay to achieve total take-home pay that allows them to meet their basic needs and provides some discretionary income.
	Workers have a copy of their contract, but do not understand some of the key applicable terms and condition.
	Individual payroll records are missing or incomplete (assuming this is due to human error rather than falsification or hiding of records).
	Workers report that mistakes in their pay packages are common, but they are rectified quickly.
Major Non-Compliance	Workers on probation or trainees are kept in these positions for prolonged periods to prevent them being paid the same as their permanent or qualified counterparts.
	Workers are fired and re-hired, or kept on temporary or agency contracts in order to avoid providing them with employment rights under the relevant national law.
	The employment site requires monetary deposits from workers to get their job, protective equipment, training or other items.
	Workers were not provided with a copy of their contract of employment or are not clear on what their terms and conditions are.
	Wage slips do not detail rates payable, number of hours worked (standard and overtime) and any deductions.
	Wage slips are not in a language workers understand.
	Legal overtime premiums are not paid to workers.
	Workers are not participating in all benefits schemes required by law.
	Late payment of wages for some or all workers.
	Workers report that mistakes in their pay packet are common, and they are difficult to rectify and/or it takes a long time.
	Workers are underpaid for the time that they have worked (i.e. overtime).
Critical Non-Compliance	Workers have unauthorised or illegal deductions made from their wages.
	Money is deducted from workers for payment of social insurance premiums, but the company does not pay the premiums into the workers' fund.
	Workers are not paid at all.
	There is verifiable evidence that records have been falsified.

Working hours

Good Practice	The employment site has a robust system for recording working hours and uses this information to monitor and control overtime.
	Workers always receive the legally mandated number of rest days in a period.
	Workers are able to earn above minimum and/or industry standards whilst hours are controlled within legal requirements.
	Though there are still challenges with controlling overtime within legal limits, management are improving productivity and HR systems to begin to reduce working hours.
Minor Non-Compliance	Rest days are occasionally cancelled due to production back-logs.
	There are minor gaps in time records.
	There is no clear policy on overtime working.
	Overtime exceeds 12 hours per week, or relevant legal limit, in isolated cases.
Major Non-Compliance	Workers ability to take paid leave is restricted or non-existent.
	Workers do not receive the legally mandated breaks during their working shift.
	Workers are required to use a toilet card system or other restrictions are imposed on them in order to take a toilet or other kind of break.
	Working hours (including all applicable overtime) regularly exceed the legal limit or the code of conduct maximum (whichever provides the greater protection).
	Workers are not able to take public or national holidays off work and are not provided with compensatory rest.
Critical Non-Compliance	Management refuses access to true hours records.
	There is verifiable evidence that records have been falsified.
	Overtime is compulsory.
	Workers work excessive hours that pose a direct risk to their health and safety.
	Workers do not consistently receive at least one rest day in seven.

4.7 Closing meeting

The purpose of the closing meeting is to go through the findings, agree them and agree the corrective action plan which sets out areas for improvement, actions and timeframes. Corrective actions should focus on long term sustainable solutions which take account of the root cause of any problem. This meeting should involve all those attending the opening meeting and should:

• reconfirm the purpose of the assessment;

• recognise good practices;

• agree any non-compliances;

• suggest corrective actions, timing, and responsibility (with management);

• record non-compliances which can be corrected immediately;

• answer any questions management have;

• explain when the full report will be completed and who it will be sent to;

• get sign-off on the Summary of Findings and Corrective Actions by both auditor and factory;

/ a copy should be left with management leave a copy of the corrective action plan;

/ the corrective actions should include a timeframe for completion and the type of verification needed;

• if the Summary of Findings and Corrective Actions is not agreed, the auditor should leave a copy with the factory and report disputed points to the audit requestor, copying the factory.

□ Opening meeting □ Employment site tour □ Interviews □ Document review □ Alert notifications □ Audit team pre-closing meeting ■ Closing meeting

INTRODUCTION | RISK ASSESSMENT SYSTEM | AUDIT REQUEST | PREPARATION | AUDIT EXECUTION | AUDIT OUTPUTS | GLOSSARY | APPENDICES

INTRODUCTION | Audit report

RISK ASSESSMENT SYSTEM | Supplementary audit information □

AUDIT REQUEST | Information management □

PREPARATION | Audit follow-up □

AUDIT EXECUTION

AUDIT OUTPUTS

GLOSSARY

APPENDICES

5. AUDIT OUTPUTS

5.1 Audit report

The context, findings, issues and actions against each area of the audit standard used should be reported to the audit requestor. **A reference audit report is provided in Appendix 5.**

The report should be available in English to ensure that it can be shared with various stakeholders, as well as in the language of the management wherever this is possible. The report should be delivered to the audit requestor within 10 business days of the audit.

For each provision of the audit standard, the report should set out:

• description of the current situation, including how specific requirements are managed by the employment site;

• provide evidence and information to substantiate the findings;

• for each non-compliance or observation, the report should provide a:

/ description of the non-compliance or observation, its frequency and the number of people concerned;

/ evidence found to substantiate it;

/ classification to applicable law, code of conduct, etc.;

/ recommended corrective action with a timeframe for completion, responsibility and verification method required.

The report should not include any information that could be used to identify specific workers – such as names, ID numbers, job descriptions and/or work location. However the exception to this requirement is where the best interests of affected workers (i.e. working children) are served through disclosing their identities.

Where it is imperative to pass on the identity of a worker in order to guarantee their welfare, this should be done using the **Reference Supplementary Audit Information, Appendix 6.**

The report should include photos of the employment site such as:

• outside general overview;

• inside general overview;

• various stages of the manufacturing process;

• safety equipment;

• machines guards;

• drinking water;

• first aid equipment;

• break room / staff room;

• toilets and showers as applicable;

• dormitories where applicable;

• canteen where applicable;

• kitchen where applicable;

• best practices which can be photographed;

• non-compliances which can be photographed.

A Reference Audit Report is available in Appendix 5.

Unless agreed by all parties in writing, the audit organisation will not distribute the report to any entities except the audit requestor.

However, the audit requestor should share the report with the employment site/customer/supplier as soon as possible in order to facilitate co-operation on continuous improvement.

5.2 Supplementary audit information

Auditors may feel the need to produce a separate, supplementary report for the audit requestor containing:

• information too sensitive for the audit report;

• concerns which cannot be substantiated through evidence and/or interviews;

• attitude of management towards the non-compliances or the audit process as a whole.

Supplementary reports may be appropriate:

• if workers appear to be under undue pressure from management on the day of audit;

• if workers appear to have been coached;

• if management was obstructive or reluctant to accept findings and the need for remediation;

• where the auditor has concerns about the possibility of double books or falsified records;

• where sensitive issues could not be discussed during the closing meeting because of a potential risk to workers' wellbeing.

This type of report may not be appropriate where the audit requestor is the employment site itself.

A Reference Supplementary Audit Information is available in Appendix 6.

5.3 Information management

Within 10 days of the completion of each audit, the auditor should provide the following documents to the audit requestor:

• the Pre-Audit Employment Site Profile;

• the completed audit report, including photos;

• summary of findings and corrective actions;

• supplementary audit information where applicable;

• copies of any alert notification that were issued during the audit.

The auditor or audit organisation should:

• be available after the audit to further clarify or explain decisions and ratings to the employment site and/ or audit requestor as needed;

• have an appeals procedure should the employment site or audit requestor challenge one of the findings and in case of any complaint by the employment site against the auditor.

5.3.1 Audit records

All documents, hand written notes, signed Summary of Findings and Corrective Actions and audit report should be retained by the auditor for reference for at least five years.

It is recommended that the auditor retain copies of at least the following documents:

• official documents on legal status of the company (business licence);

• insurance policies/certificates (relating to buildings and people);

• blank Employment contracts (at least in blank format);

• payroll sample (at least in blank format);

• risk assessments employment site;

• collective bargaining agreement;

• evidence relating to non-compliances, wherever possible.

If copying facilities are not available, auditors may photograph these documents.

Data and privacy laws in some countries prohibit copies being made of certain documents; in such cases, auditors should respect these restrictions.

□ Audit report ■ Supplementary audit information ■ Information management □ Audit follow-up

INTRODUCTION
RISK ASSESSMENT SYSTEM
AUDIT REQUEST
PREPARATION
AUDIT EXECUTION
AUDIT OUTPUTS
GLOSSARY
APPENDICES

INTRODUCTION

RISK ASSESSMENT SYSTEM

AUDIT REQUEST

PREPARATION

AUDIT EXECUTION

AUDIT OUTPUTS

GLOSSARY

APPENDICES

Audit report □

Supplementary audit information □

Information management □

Audit follow-up ■

5.4 Audit follow-up

The audit follow-up focuses on the corrective actions agreed during the audit and closing meeting.

• the auditor will be responsible for verifying whether actions have been taken and recording verification of actions;

• for corrective actions where desk-based verification is adequate, the auditor will review evidence submitted **[see Section 4.6];**

• where a follow-up audit is required, for example on issues surrounding working hours and wages or where the original issue was raised by workers, the length of time taken at the follow-up should be related to the number and severity of issues to be verified.

If one person is carrying out both the auditor and worker interviewer roles at the follow-up audit, person **must** be of the same gender as the majority of the workforce.

5.4.1 Follow-up audits

Follow-up audits are recommended for critical or major non-compliances or when corrective actions can be evaluated only through interviews and extensive documentation reviews.

• a full follow-up audit should include a full review of all areas of the standard audit process, including the complete re-sampling of documents, conducting interviews and the employment site tour. The auditor should focus on identifying changes which would address issues raised in the initial report, but also investigate potential additional issues;

• a partial follow-up audit does not include a full review but only focuses on the issues identified in the corrective action plan.

Follow-up Audit Guidance:

• the audit should be carried out once the deadline for addressing all of the issues has passed;

• follow-up audits generally take place within six months of the date of the initial audit;

• a follow-up report should be issued. This is an updated version of the original report, with all new issues and updates to previous issues clearly highlighted;

/ 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;

/ improvements should be mentioned even if the non-compliances are not fully corrected;

/ if new non-compliances are found these should be recorded and marked as "new" and should be reported in as much detail as they would have been in the initial report;

/ a desk-based follow up may be used to verify corrective actions for minor non-compliances but provide less assurance than a follow-up audit. Desk-based verification should check corrective actions through photos, copies of certificates, invoices, submitted by the employment site. Desk-based verification cannot be used where actions need to be verified through worker testimony.

Glossary of Terms

INTRODUCTION

RISK ASSESSMENT SYSTEM

AUDIT REQUEST

PREPARATION

AUDIT EXECUTION

AUDIT OUTPUTS

GLOSSARY

APPENDICES

A

Agency worker

Agency workers are workers that are employed by an employment agency but that undertake work for one of the employment agency's clients (e.g. an employment site). Agency workers are paid by the employment agency and the labour user (e.g. the employment site) will pay the employment agency a fee for the use of its workers.

Announced audit

An audit which is undertaken on a specified date that is chosen in agreement with the employment site.

Audit requestor

Generic term referring to any entity that has requested and commissioned an audit, including the requesting entity's customers (where known) where agreements allowing such disclosure are in place.

C

Casual worker

A worker who are not part of the permanent workforce, but who supply services on an irregular or flexible basis, often to meet a fluctuating demand for work.

Civil Society Organisation

Non-governmental and not-for-profit organisations that have a presence in public life, expressing the interests and values of their members or others, based on ethical, cultural, political, scientific, religious or philanthropic considerations. These organisations include community groups, non-governmental organisations (NGOs), Trade Unions, indigenous groups, charitable organizations, faith-based organisations, professional associations and foundations.

Code of conduct

A set of standards concerning labour practices adopted by a company and applied to its suppliers, employment sites and subcontractors.

Comply / compliance

To meet local labour laws and regulations, applicable codes of conduct and international labour standards requirements.

Corrective action

Measures taken to eliminate a non-compliance identified during an audit.

Corrective Action Plan

A plan of action drawn up at the end of an audit that records what measures have to be taken and within what time limit to remedy the non-compliance.

E

Employment site

An individual/specific production site, farm, winery, quarry, mine, service site etc. (including where applicable selected sub-contractors/homeworkers).

F

Follow-up audit

An audit to assess the effectiveness of corrective actions, undertaken to address issues from a previous audit. A follow-up audit can be either a full or a partial follow-up audit (see definitions below).

Full follow-up audit

An audit to assess the effectiveness of corrective actions, undertaken to address issues from a previous audit. The audit should include a full review of all areas of the standard audit process, including the complete re-sampling of documents, conducting interviews and the employment site tour.

H

Homeworker

A homeworker can be defined as someone who, for a fixed rate of remuneration, carries out work in his or her home for an employer who is not the final consumer of the product or service provided.

I

International Labour Organization (ILO)

The ILO is a United Nations specialised agency which seeks to promote labour rights internationally. It defines international minimum labour standards in the form of 'Conventions' and 'Recommendations' which are negotiated and developed by government, employers' and workers' organisations.

Initial audit

The first audit undertaken on an employment site which assesses compliance against a specific code of conduct, or is requested by a specific customer.

L

Labour law

Legal requirements developed by governments that constitute minimum requirements which must be met by employers and workers within the employment relationship. Labour laws can also be developed through collective or contractual agreements.

Labour standards

Rules and principles defined by international organisations, governments and corporations which determine the conditions under which people should work.

M

Migrant worker

A person who is engaged in a remunerated activity, who has moved to a country, province or region of which he or she is not a native, where he/she is not eligible to or does not intend to become permanent residents.

P

Partial follow-up audit

An audit to assess the effectiveness of corrective actions, undertaken to address issues from a previous audit. The audit does not include a full review, but only focuses on the issues identified in the corrective action plan.

Permanent worker

Permanent workers are workers who are employed directly by the employment site and have a contract of employment that is not limited by time.

R

Re-audit

A new audit which is performed on an employment site that has already been audited under the same code of conduct or by the same customer.

S

Semi-announced audit

An audit which is undertaken on an un-specified date, scheduled within a set period,, (between 2 weeks and 2 months) which is agreed with the employment site. The employment site will be informed that an audit will take place during this period but will not be informed of the exact date.

Social audit (hereafter referred to as 'audit')

Systematic, independent and documented process for obtaining evidence and evaluating it objectively to determine the extent to which ethical/ labour standards criteria are met.

Stakeholder

Any person, company, organisation or other party that is affected by the activity and / or operations of a company.

Subcontractor

An individual or a group of individuals to whom a contractor outsources the manufacture of a product or part-product.

Summary of Findings and Corrective Actions

A summary document which provides information about all issues and other findings from an audit, as well as corrective actions and time frames for completing these.

Supplier

Any contract partner which supplies the retailer/ brand with goods or services.

T

Temporary worker

A temporary worker is a worker who is employed directly by the employer, but on a contract that is for a specified period of time. When the contract ends there is no obligation for the employer to continue the employment agreement.

Trade Union

A membership organisation of workers which seeks to represent the views of workers and promote/ enforce their rights within the workplace and the society as a whole. The organisation must conform to local legal requirements, and be able to engage in collective bargaining with employers and employers' organisations.

U

Unannounced audit

An audit carried out without prior warning to the employment site.

V

Verification

Examination of claims made about the actual observance of code or standard provisions by suppliers or of claims made about the activities that a company undertakes to give effect to its code. Verification implies that participating companies must have internal auditing or monitoring systems in place.

W

Worker

A person working on an employment site, in any capacity.

INTRODUCTION

RISK ASSESSMENT SYSTEM

AUDIT REQUEST

PREPARATION

AUDIT EXECUTION

AUDIT OUTPUTS

GLOSSARY

APPENDICES

INTRODUCTION

RISK ASSESSMENT SYSTEM

AUDIT REQUEST

PREPARATION

AUDIT EXECUTION

AUDIT OUTPUTS

GLOSSARY

APPENDICES

APPENDIX 1

GSCP Reference Self-Assessment Questionnaire

This tool is part of the broader set of Reference Tools designed to provide a common interpretation of fair labour requirements and their implementation. They will enable buying companies around the world to work towards mutual recognition of audit results.

The GSCP Reference tools are based on the GSCP Reference Code but can be adopted and tailored to other codes of conduct.

Note: The GSCP Reference Code gathers, in a single framework, the main international standards for fair labour conditions and fundamental labour rights. The GSCP Reference Code is not a substitute for existing codes or existing systems but brings together the standards and best practices that could be applied.

A **Self-Assessment Questionnaire** enables a supplier or employment site to provide information about the employment site, how it manages social compliance and its performance against local and international labour standards.

The employment site is asked to respond to a series of questions and provide supporting documentation. The buying company may then use this information as the basis of a risk assessment.

The auditor may also use information from the self-assessment questionnaire to focus on-site investigation on high risk areas.

Companies should communicate the following to employment sites when requesting this information:

- reason for the information request;

- how the risk assessment fits within the audit process;

- to whom to send the completed self assessment (or how to upload the self assessment on to a database);

- timeframe for completion;

- process and timeframe for updating the self-assessment.

A Self-Assessment Questionnaire may be based on a specific code of conduct thus allowing companies to identify potential risks more easily. The Reference tool below is structured according to the GSCP Reference Code.

Employment sites should be encouraged to answer the self assessment questionnaire in full and add commentary and/or evidence against each point rather than just marking Yes or No.

REFERENCE SELF-ASSESSMENT QUESTIONNAIRE

COMPANY OVERVIEW	
Name of company which owns the employment site to be audited	
Mailing address (if different to that of the employment site)	
Telephone Number:	**Fax Number:**
Ownership type (e.g. Joint Venture, Partnership, Corporation, Foreign Investment, Other)	
Year company formed	
Legal status	
Business Licence No.	
Is the Company part of a group? *If Yes, name of parent company*	☐ Yes ☐ No
Does the company own any other employment sites? *If yes, how many?*	
Annual turnover (USD)	
Company Capital (USD)	
Does the Company have any management systems certifications? E.g. ISO 9001	☐ Yes ☐ No
If yes, please detail certifications and validity *Please append copies of all current certificates to the completed self assessment questionnaire*	

INTRODUCTION

RISK ASSESSMENT SYSTEM

AUDIT REQUEST

PREPARATION

AUDIT EXECUTION

AUDIT OUTPUTS

GLOSSARY

APPENDICES

EMPLOYMENT SITE CONTACT DETAILS

Employment site name

Full address

Full address
(in local language, if applicable)

Country

Is this site in an Export Processing Zone (EPZ)?   ☐ Yes   ☐ No

Employment site telephone number: **Employment site fax number:**   **Employment site email address:**

Employment site manager:

Languages of the employment site management:
Please list the main languages spoken by employment site managers

Key contact: **Key contact job title:**   **Key contact telephone number:**

Employment site website (if available)

Closest Airport/railway station

Distance from the above:
please specify time and distance plus traffic conditions if relevant

Regular shift times:

Does this employment site require any permits or certificates in order to undertake any of its functions?   ☐ Yes   ☐ No
If Yes, then please provide details:

WORKFORCE DETAILS				
WORKFORCE NUMBERS	**PEAK SEASON**		**LOW SEASON**	
	Male	**Female**	**Male**	**Female**
TOTAL WORKERS AT THIS EMPLOYMENT SITE				
No. permanent workers				
No. temporary workers				
No. of agency workers				
No. of piece rate workers				
No. salaried workers				
No. of hourly paid workers				
No. of homeworkers				
No. of young workers				
No. part time workers				
No. night workers				
No. of workers in accommodation provided by the employment site				
Percentage of migrant* workers				
Percentage of migrant workers working at night				

YOUNG WORKER DETAILS	PEAK SEASON		LOW SEASON	
	Male	**Female**	**Male**	**Female**
Age of youngest worker				
No. of workers under 18				
Language(s) spoken *Detail the different native languages of the workforce, together with the proportion of workers who speak that language as their first language.*				
Nationality of workers *Detail the different nationalities of the workforce, together with the proportion of workers of that nationality*				

* The term 'migrant worker' refers to, a person who is engaged in a remunerated activity in a country, province or region of which he or she is not a native and where he or she is not eligible or does not intend to become permanent resident.

INTRODUCTION

RISK ASSESSMENT SYSTEM

AUDIT REQUEST

PREPARATION

AUDIT EXECUTION

AUDIT OUTPUTS

GLOSSARY

APPENDICES

0. MANAGEMENT SYSTEMS

0.1	**Do you have a policy defining your approach to labour standards and ethical trading?** *If yes, please attach*	☐ Yes ☐ No
0.2	**Are you committed to any Codes of Conduct?** *If yes, please detail:*	☐ Yes ☐ No
0.3	**Do you have a dedicated manager in charge of ensuring that the requirements of the policy are met?** *if yes, please specify exact title and name*	☐ Yes ☐ No Name: Title:
0.4	**Do you have a system in place that will alert you to changes in any applicable labour laws?**	☐ Yes ☐ No
0.5	**Do you have a procedure in place to evaluate and select your suppliers based on their ability to meet your defined standards?**	☐ Yes ☐ No

1. FORCED, BONDED, INDENTURED & PRISON LABOUR

1.1	**Are all workers free to leave the employment site during non-working hours or at the end of their shift?** *(including workers who live on-site)* *Please explain any restrictions or how this freedom is assured*	☐ Yes ☐ No
1.2	**Are all workers free to leave their employment upon giving reasonable notice?** *Please define the notice period required*	☐ Yes ☐ No
1.3	**Do you hold workers' ID Cards/Passports?** *If yes, please specify whether this is an original or a copy* *If Originals, then is holding original ID papers a legal requirement in your country?*	☐ Yes ☐ No ☐ Original ☐ Copy ☐ Yes ☐ No
1.4	**Are workers required to lodge deposits?** *If yes, please specify how much and the reasons for these*	☐ Yes ☐ No
1.5	**Do you use prison labour?** *If yes, please specify:* • *how many workers are prisoners;* • *whether prisoners are paid, and if so, how much;* • *whether prisoners have a choice of whether to work or not;* • *the name of any specific government prison work scheme.*	☐ Yes ☐ No
1.6	**Do you have a signed contract of employment for every directly employed worker?** *If Yes, do all workers have a copy?*	☐ Yes ☐ No ☐ Yes ☐ No

INTRODUCTION

RISK ASSESSMENT SYSTEM

AUDIT REQUEST

PREPARATION

AUDIT EXECUTION

AUDIT OUTPUTS

GLOSSARY

APPENDICES

	2. CHILD LABOUR	
2.1	**What is the legal minimum age for work in your country?**	
2.2	**What is the date of birth of the youngest worker and when did they start working in the company?**	Date of birth: Date of recruitment:
2.3	**Do you ask for a proof of age when recruiting workers?** *If yes, please detail **all** checks you make* *(e.g. ID card, birth certificate, medical checks, etc.)*	□ Yes □ No
2.4	**Do you have copies of proof of age documentation in workers' personnel files?**	□ Yes □ No
2.5	**Have you ever found child workers* on your employment site?** *If yes, what did you do?*	□ Yes □ No
2.6	**Do you have any workers below the age of 18, or do you have any apprentices in the employment site?** *If yes, please specify how many*	□ Yes □ No Young workers: Apprentices:
2.7	**Do you make sure that young workers are exempt from overtime, night work and hazardous work?** *If Yes, Describe your systems for doing this:*	□ Yes □ No
2.8	**Do you participate in any apprenticeship schemes?** *If yes, please provide the following information:* *• Number of apprentices working* *• Name(s) of the apprenticeship scheme* *• Name(s) of the educational institutions involved*	□ Yes □ No

* Child workers are workers under the age of 15 or under the legal minimum working age, whichever is higher. If however, local minimum age law is set at 14 years of age in accordance with developing country exceptions under ILO Convention 138, then a child worker may be considered to be a worker below the age of 14.

INTRODUCTION

RISK ASSESSMENT SYSTEM

AUDIT REQUEST

PREPARATION

AUDIT EXECUTION

AUDIT OUTPUTS

GLOSSARY

APPENDICES

Appendix 4: GSCP Reference Alert Notification ☐ Appendix 3: GSCP Reference Audit Checks ☐ Appendix 2: GSCP Reference Pre-Audit Employment Site Profile ☐ **Appendix 1: GSCP Reference Self Assessment Questionnaire** ■

Appendix 7: GSCP Reference Summary of Findings and Corrective Actions ☐ Appendix 6: GSCP Reference Supplementary Audit Information ☐ Appendix 5: GSCP Reference Audit Report ☐

	3. FREEDOM OF ASSOCIATION AND RIGHT TO COLLECTIVE BARGAINING	
3.1	**Do you recognise any Trade Unions in your workplace?** *If yes, please specify which Trade Unions*	☐ Yes ☐ No
3.2	**Are any workers in your workplace members of a Trade Union?** *If yes, please specify which Trade Unions*	☐ Yes ☐ No
3.3	**Are workers free to join Trade Unions?** *If yes, please specify which Trade Unions*	☐ Yes ☐ No
3.4	**Are workers free to join other types of workers' organisation? (other than Trade Unions)** *If yes, please specify which organisations*	☐ Yes ☐ No
3.5	**Do you have any workers' committees or other worker representative bodies in your workplace?** *If yes, please specify the committees or bodies represented*	☐ Yes ☐ No
3.6	**Are workers' representatives on workers' committees/other worker representative bodies elected by the workforce?** *If no, how are they selected?*	☐ Yes ☐ No
3.7	**Are all workers' representatives permitted to carry out their duty within working hours without sacrificing pay to do so?**	☐ Yes ☐ No
3.8	**Do you have regular meetings with the main Trade Union or workers' committee representatives in your workplace?** *If yes, please specify how often*	☐ Yes ☐ No

4. DISCRIMINATION, HARASSMENT AND GRIEVANCE PROCEDURES		
4.1	Do you have an equal opportunities policy? *If yes, please attach*	☐ Yes ☐ No
4.2	Do workers receive equal pay for equal work, regardless of gender, age, religion, marital status, race, caste, social background, diseases, disability, pregnancy, ethnic and national origin, nationality, membership in worker organisations including unions, political affiliation, sexual orientation, or any other personal characteristics?	☐ Yes ☐ No
4.3	Are union representatives treated in the same way as other workers?	☐ Yes ☐ No
4.4	Do you use pregnancy testing for current/prospective workers?	☐ Yes ☐ No
4.5	Do you dismiss workers who become pregnant?	☐ Yes ☐ No
4.6	Do you clearly and strictly forbid any form of verbal, physical or psychological threats, abuse or harassment in your company	☐ Yes ☐ No
4.7	Do you have a formal, documented disciplinary procedure?	☐ Yes ☐ No
4.8	Do you have a formal, documented grievance procedure?	☐ Yes ☐ No
4.9	Do you record all disciplinary actions taken and any grievance procedures?	☐ Yes ☐ No
4.10	Do you conduct physical searches of workers?	☐ Yes ☐ No

INTRODUCTION

RISK ASSESSMENT SYSTEM

AUDIT REQUEST

PREPARATION

AUDIT EXECUTION

AUDIT OUTPUTS

GLOSSARY

APPENDICES

	5. HEALTH AND SAFETY		
5.1	**Is there a senior manager responsible for health and safety?** *If yes, specify their exact title and name*	☐ Yes ☐ No Title: Name:	
5.2	**Is there a health and safety committee on which workers are represented?**	☐ Yes ☐ No	
5.3	**Do you carry out health and safety risk assessments?** *If yes, please specify any high risk areas identified through the risk assessment process*	☐ Yes ☐ No	
5.4	**Do you implement action plans for all risk areas identified?** *If yes please provide an example*	☐ Yes ☐ No	
5.5	**When was the last health and safety risk assessment carried out?**		
5.6	**Do you have a written evacuation procedure for emergencies?**	☐ Yes ☐ No	
5.7	**Are all workers (including temporary workers) trained on health, safety and hygiene?**	☐ Yes ☐ No	
5.8	**Is this training repeated on a regular basis?** *If yes, how often does this occur?*	☐ Yes ☐ No	
5.9	**Do you have records of the names of all personnel trained and the dates they were trained?**	☐ Yes ☐ No	
5.10	**Are all workers provided with appropriate personal protective equipment?** *If yes, is this provided free of charge to workers?*	☐ Yes ☐ No	
5.11	**Do you have an accident book where all accidents are recorded?**	☐ Yes ☐ No	
5.12	**Is each shift covered by a trained first aider?**	☐ Yes ☐ No	
5.13	**Do you have a fire alarm that can be heard in all areas of the employment site?** *If Yes, how often is this alarm tested?*	☐ Yes ☐ No	
5.14	**Do you conduct regular evacuation drills?**	☐ Yes ☐ No	
5.15	**Are there enough fire exits for all workers to leave all buildings safely in an emergency?**		

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	5. HEALTH AND SAFETY		
5.16	Are all fire exits unobstructed and unlocked?		
5.17	Do all machines have appropriate safety guards?		
5.18	Do you have a material safety data sheet (MSDS) for each chemical in a language workers understand?	☐ Yes	☐ No
5.19	Do you have written procedures for the safe storage, use and disposal of hazardous materials in a language workers understand?	☐ Yes	☐ No
5.20	Do you provide unlimited access to clean drinking water during working hours?	☐ Yes	☐ No
5.21	Do you provide proper sanitary facilities?	☐ Yes	☐ No
5.22	Is any accommodation provided? *If yes, what is their location in relation to the employment site?* If no, please go to section 6	☐ Yes	☐ No
5.23	Is all accommodation in a separate building to production areas?	☐ Yes	☐ No
5.24	Are there at least 2 fire exits from each floor of the accommodation areas?	☐ Yes	☐ No
5.25	Does all accommodation have fire alarms?	☐ Yes	☐ No

INTRODUCTION

RISK ASSESSMENT SYSTEM

AUDIT REQUEST

PREPARATION

AUDIT EXECUTION

AUDIT OUTPUTS

GLOSSARY

APPENDICES

6. WAGES AND BENEFITS

		Young* male workers	Young* female workers	Adult male workers	Adult female workers
6.1	**What is the legal minimum wage per month applicable to your industry?** *(in local currency)*				
6.2	**How much does the lowest paid permanent worker earn in standard working hours per month?** *(in local currency)*				
6.3	**How much does the lowest paid temporary worker earn in standard working hours per month?** *(in local currency)*				
6.4	**How much does the lowest paid piece-rate worker earn in standard working hours per month?** *(in local currency)*				
6.5	**How much does the lowest paid subcontractor/home-worker earn in standard working hours per month?** *(in local currency)*				
6.6	**Do you pay a premium rate for overtime?** *If yes, please specify the rate*	☐ Yes ☐ No			
6.7	**Do you make any deductions from workers' pay?** *If yes, please provide details of:* • *Legally Required Deductions* • *Other Deductions*	☐ Yes ☐ No			
6.8	**After deductions are made, do any workers receive less than the legally applicable minimum wage* ?**	☐ Yes ☐ No			
6.9	**Do workers receive payslips clearly setting out how their wages are calculated and any deductions made?**	☐ Yes ☐ No			
6.10	**How often do workers receive their wages?** *(please specify the frequency and exact date, if any)*	Frequency: Exact date, if any:			
6.11	**How are workers paid?** *If other please provide details*	☐ Cash ☐ Cheque ☐ Bank transfer ☐ Other			
6.12	**Do you provide any social benefits to the workers (e.g. health insurance, pension fund, child care, education, accommodation etc.)?** *If yes, please describe what is provided*	☐ Yes ☐ No			
6.13	**Do all workers receive paid annual leave i n accordance with the law?** *If yes, please describe how much paid annual leave is provided*	☐ Yes ☐ No			

* Young workers are workers younger than 18 years of age, but older than the legal minimum working age

7. WORKING HOURS		
7.1	What is the legal maximum number of working hours per week (including overtime) in your country?	
7.2	Are any exceptions to this maximum allowed? *If yes, please describe*	☐ Yes ☐ No
7.3	What are your employees' standard weekly working hours?	Per week:
7.4	What is the average number of weekly overtime hours per person?	Per week:
7.5	What is the maximum number of overtime hours that employees work per week in peak season?	Per week:
7.6	Is overtime compulsory?	☐ Yes ☐ No
7.7	Do workers have at least one day off per week?	☐ Yes ☐ No
7.8	How are working hours recorded?	

END OF QUESTIONNAIRE

INTRODUCTION

RISK ASSESSMENT SYSTEM

AUDIT REQUEST

PREPARATION

AUDIT EXECUTION

AUDIT OUTPUTS

GLOSSARY

APPENDICES

Appendix 4: GSCP Reference Alert Notification □   Appendix 3: GSCP Reference Audit Checks □   **Appendix 2: GSCP Reference Pre-Audit Employment Site Profile** ■   Appendix 1: GSCP Reference Self Assessment Questionnaire □
Appendix 7: GSCP Reference Summary of Findings and Corrective Actions □   Appendix 6: GSCP Reference Supplementary Audit Information □   Appendix 5: GSCP Reference Audit Report □

APPENDIX 2

GSCP Reference Pre-Audit Employment Site Profile

This tool is part of the broader set of Reference tools designed to provide a common interpretation of fair labour requirements and their implementation. They will enable buying companies around the world to work towards mutual recognition of audit results.

The GSCP Reference tools are based on the GSCP Reference Code but can be adopted and tailored to other codes of conduct.

Note: The GSCP Reference Code gathers, in a single framework, the main international standards for fair labour conditions and fundamental labour rights. The GSCP Reference Code is not a substitute for existing codes or existing systems but brings together the standards and best practices that could be applied.

When an audit request is made, the auditor should send the employment site a **Pre-Audit Employment Site Profile** questionnaire asking for general information about location, size, workforce profile and production processes. This information allows auditors to:

- prepare relevant briefing materials (industry or country-specific);

- plan the assessment, for example the gender and language capabilities of the audit team members and the required number of audit days.

Each employment site to be audited should complete a pre-audit employment site profile. The information provided should be used by the auditor to make the necessary preparations for the audit and may also be used during audits to focus the auditor on high risk areas.

The audit company should communicate the following to each employment site to be audited and any relevant parties, such as agents, in the supply chain:

- the importance of accuracy in completing in the pre-audit employment site profile;

- timeframe for completion of the pre-audit employment site profile;

- to whom to send the completed pre-audit employment site profile.

Recommended timeframe:

- the auditor should supply the pre-audit employment site profile questionnaire to the employment site within five working days of the audit being confirmed;

- the pre-audit employment site profile questionnaire should be completed and returned to the auditor two weeks from the date of the request being made;

- if an audit is requested and scheduled in less than two weeks, the auditor and employment site should work together to ensure the pre-audit employment site profile is returned as soon as possible and in any event before the audit is carried out.

A Pre-Audit Employment Site Profile should have four main areas:

1. company overview;

2. supplier overview;

3. employment site details;

4. subcontracting activities.

Where the employment site itself is the audit requestor, the auditor should ensure that an agreement is in place with the employment site to allow the auditor to communicate audit findings and any alert notifications to any buyers, brands or retailers concerned.

1. COMPANY OVERVIEW

Where possible, the pre-audit employment site profile should detail the following overview of the company.

1. COMPANY OVERVIEW	
Name of company which owns the employment site to be audited	
Mailing address (if different to that of the employment site)	
Telephone Number:	**Fax Number:**
Ownership type (e.g. Joint Venture, Partnership, Corporation, Foreign Investment, Other)	
Year company formed	
Legal status	
Business licence no. (if applicable)	
Is the company part of a group? *If Yes, name of parent company*	☐ Yes ☐ No
Does the company own any other employment sites? *If yes, how many?*	
Annual turnover (USD)	
Company capital (USD)	
Does the company have any management systems certifications?	☐ Yes ☐ No
If yes, please detail certifications and validity *Please append copies of all current certificates to the completed self assessment questionnaire*	

INTRODUCTION

RISK ASSESSMENT SYSTEM

AUDIT REQUEST

PREPARATION

AUDIT EXECUTION

AUDIT OUTPUTS

GLOSSARY

APPENDICES

2. SUPPLIER OVERVIEW

Where relevant, the pre-audit employment site profile should detail the following information concerning any intermediate supplier.

2. SUPPLIER OVERVIEW		
Supplier name:		
Full address:		
Country:		
Supplier telephone number:	**Supplier fax number:**	**Supplier email address:**
Key contact:	**Key contact telephone number:**	
Supplier website (if available):		
Supplier website (if available):		

3. EMPLOYMENT SITE DETAILS

3.1 Employment Site Contact Details

The pre-audit employment site profile questionnaire should request the following contact information:

3.1 EMPLOYMENT SITE CONTACT DETAILS		
Employment site name:		
Full address:		
Full address (in local language, if applicable):		
Country		
Is this site in an Export processing zone (EPZ)?	☐ Yes ☐ No	
Employment site telephone number:	**Employment site fax number:**	**Employment site email address:**
Employment site manager:		
Languages of the employment site management. *Please list the main languages spoken by employment site managers:*		
Key contact:	**Key contact job title:**	**Key contact telephone number:**
Employment site website (if available)		
Closest airport/railway station		
Distance from the above. *Please specify time and distance plus traffic conditions if relevant*		
Regular shift times:		
Does this employment site require any permits or certificates in order to undertake any of its functions? *If Yes, then please provide details:*	☐ Yes ☐ No	

INTRODUCTION

RISK ASSESSMENT SYSTEM

AUDIT REQUEST

PREPARATION

AUDIT EXECUTION

AUDIT OUTPUTS

GLOSSARY

APPENDICES

Appendix 1: GSCP Reference Self Assessment Questionnaire □   Appendix 5: GSCP Reference Audit Report □

Appendix 2: GSCP Reference Pre-Audit Employment Site Profile ■   Appendix 6: GSCP Reference Supplementary Audit Information □

Appendix 3: GSCP Reference Audit Checks □   Appendix 7: GSCP Reference Summary of Findings and Corrective Actions □

Appendix 4: GSCP Reference Alert Notification □

3.2 Employment Site Management

The following information is requested to understand internal management systems and processes regarding social compliance.

3.2 EMPLOYMENT SITE MANAGEMENT	
Name and position of person responsible for Social Compliance Issues:	
Name and position of person responsible for health & safety:	
Name and position of person responsible for recruitment and personnel issues:	
Name and position of person responsible for production planning:	
Name and position of person responsible for payroll issues:	
Names, position and responsibilities of other management personnel:	
Are any workers represented by a Trade Union? *If yes, then please name the union(s) and worker representative(s):*	☐ Yes ☐ No
Is there a workers committee or health and safety committee? *If yes, name the committee(s) and workers' representative(s)*	☐ Yes ☐ No

3.3 Employment Site area & Facilities

The pre-audit employment site profile questionnaire should detail the following information concerning the size and facilities of the employment site area. Depending on the nature of the employment site, some of the headings may need to be changed (e.g. to differentiate between farms and factories).

Where relevant, the employment site should be asked to submit a floor plan.

3.3 EMPLOYMENT SITE AREA & FACILITIES	
Employment site size:	**Production area** (m²): **Administration area** (m²): **Storage area** (m²): **Total area** (m²):
Do you provide canteen facilities? *If yes, size of canteen facilities (m²):*	☐ Yes ☐ No
Are canteen facilities located on or off site?	☐ On-site ☐ Off-site ☐ N/A
Do you provide dormitory or other living accommodation facilities? *If Yes, size of dormitories or other accommodation (m²):*	☐ Yes ☐ No
Is accommodation located on or off site? *If off-site, then please detail the street address of ALL accommodation and the distance from the employment site:*	☐ On-site ☐ Off-site

INTRODUCTION

RISK ASSESSMENT SYSTEM

AUDIT REQUEST

PREPARATION

AUDIT EXECUTION

AUDIT OUTPUTS

GLOSSARY

APPENDICES

INTRODUCTION

RISK ASSESSMENT SYSTEM

AUDIT REQUEST

PREPARATION

AUDIT EXECUTION

AUDIT OUTPUTS

GLOSSARY

APPENDICES

Appendix 1: GSCP Reference Self Assessment Questionnaire □   Appendix 5: GSCP Reference Audit Report □

Appendix 2: GSCP Reference Pre-Audit Employment Site Profile ■   Appendix 6: GSCP Reference Supplementary Audit Information □

Appendix 3: GSCP Reference Audit Checks □   Appendix 7: GSCP Reference Summary of Findings and Corrective Actions □

Appendix 4: GSCP Reference Alert Notification □

3.4 Employment Site Production and Processes Overview

The pre-audit employment site profile should detail the following information concerning the employment site's production systems and production processes. Some employment sites may not be willing to provide some of the information requested because of confidentiality agreements with other customers.

3.4 EMPLOYMENT SITE PRODUCTION SYSTEMS AND PROCESSES					
Industry sector:					
Principal products:					
Main export markets:					
Proportion of output supplied to audit requestor:					
Other major customers:					
Peak & low seasons:	Peak season: Low season:				
Maximum capacity per month*:					
Typical production level as a percentage of total capacity (by month):	**Jan**	**Feb**	**Mar**	**Apr**	**May**	**June**
	July	**Aug**	**Sept**	**Oct**	**Nov**	**Dec**
Main production processes (e.g. Stitching, labelling, injection, moulding, baking, harvesting, dyeing etc.):					
Main production equipment:					
Main raw materials used:					
List of hazardous chemicals used employment site:					
Shift times (broken down by section):					
Regular overtime hours:					

* Auditor should check if an appropriate unit has been communicated (tonnes, number of pieces, containers…).

3.5 Employment Site Workforce

The following information is an essential requirement, both to understand potential risks posed by the employment site's operations and to plan for the audit. Any missing details should be clarified with the employment site directly.

3.5 EMPLOYMENT SITE WORKFORCE				
WORKFORCE NUMBERS	**PEAK SEASON**		**LOW SEASON**	
	Male	**Female**	**Male**	**Female**
TOTAL WORKERS AT THIS EMPLOYMENT SITE:				
No. permanent workers:				
No. temporary workers:				
No. of agency workers:				
No. of piece rate workers:				
No. salaried workers:				
No. of hourly paid workers:				
No. of homeworkers:				
No. of young workers:				
No. part time workers:				
No. night workers:				
No. of workers in accommodation provided by the employment site:				
Percentage of migrant workers:				
Percentage of migrant workers working at night:				

YOUNG WORKER DETAILS	**PEAK SEASON**		**LOW SEASON**	
	Male	**Female**	**Male**	**Female**
Age of youngest worker:				
No. of workers under 18:				
Language(s) spoken *Detail the different native languages of the workforce, together with the proportion of workers who speak that language as their first language:*				
Nationality of workers *Detail the different nationalities of the workforce, together with the proportion of workers of that nationality:*				

3.6 Details of Previous Social Audits and Outcomes

This section provides the audit history of the employment site. This information helps determine the type of audit required (i.e a full audit, a verification audit, etc.) and if a current audit report can be shared instead of conducting a new audit.

3.6 EMPLOYMENT SITE PREVIOUS SOCIAL AUDITS AND OUTCOMES

Are you a participant in any social initiative(s)?
e.g. BSCI, ICS, ICTI, FLA, Fair Trade
If Yes, which initiatives and please provide evidence:

☐ Yes ☐ No

Are you a member of any social reporting systems?
If yes, please specify which ones:

Do you have your own social policy or code of conduct?
If Yes, please supply a copy.

☐ Yes ☐ No

Are you operating to any other codes of conduct?
If Yes, please list Codes you are using:

☐ Yes ☐ No

Has your employment site previously been audited for social compliance?

☐ Yes ☐ No

If yes, please provide details of previous audits:

Date of Audit	Code audited against	Auditing company/ organisation

Would you be prepared to share previous audit reports and, improvement/action plans conducted for other customers?

☐ Yes ☐ No

Have any previous corrective actions been completed?

☐ Yes ☐ No

Please detail outstanding corrective actions and your expected completion date?

Issue found	Corrective action	Timescale	Person responsible

4. SUBCONTRACTING

4.1 Products / Processes Subcontracted Overview

The pre-audit employment site profile should detail the following information on the products and/or processes that are subcontracted by the employment site:

4.1 PRODUCTS/PROCESSES SUBCONTRACTED	
List any production or processes sub-contracted:	
Are any processes sub-contracted to homeworkers?	☐ Yes ☐ No **If yes, please complete Section 3.4.2**

Subcontractor details: please complete the table below for each process subcontracted. Add more tables as required.

Subcontracted Process 1	**Process:**	
	Products involved:	
	No. of subcontracting companies:	
	Names and ranking by volume of business:	
	Have you audited these contractors?	☐ Yes ☐ No
Subcontracted Process 2	**Product:**	
	Process:	
	No. of subcontracting companies:	
	Names and ranking by volume of business:	
	Have you audited these contractors?	☐ Yes ☐ No
Subcontracted Process 3	**Product:**	
	Process:	
	No. of subcontracting companies:	
	Names and ranking by volume of business:	
	Have you audited these contractors?	☐ Yes ☐ No

INTRODUCTION

RISK ASSESSMENT SYSTEM

AUDIT REQUEST

PREPARATION

AUDIT EXECUTION

AUDIT OUTPUTS

GLOSSARY

APPENDICES

Appendix 4: GSCP Reference Alert Notification ☐   Appendix 3: GSCP Reference Audit Checks ☐   **Appendix 2: GSCP Reference Pre-Audit Employment Site Profile** ■   Appendix 1: GSCP Reference Self Assessment Questionnaire ☐

Appendix 7: GSCP Reference Summary of Findings and Corrective Actions ☐   Appendix 6: GSCP Reference Supplementary Audit Information ☐   Appendix 5: GSCP Reference Audit Report ☐

4.2 Homeworking

The following information is required if an employment site has stated that they use homeworkers. This is an essential requirement of the pre-audit employment site profile, both to understand potential risks and to plan the audit.

4.2 HOMEWORKING	
Are any processes undertaken by homeworkers?	☐ Yes ☐ No
What processes are undertaken by homeworkers?	
Names and addresses of any 'middlemen' or homeworking contractors used:	
Number of homeworkers used:	
Location(s) of homeworkers and approximate distance of their homes from the employment site:	
Describe how you select homeworkers and or 'middlemen' if used?	
How are homeworkers paid? *Describe how rates are set, how payment is made and detail any middle-men in the process:*	
Are working conditions monitored? *If so, please outline how:* *If yes, describe how they are monitored and outline your findings:*	☐ Yes ☐ No
Do you have written contracts, policies or procedures relating to the conditions of homeworkers? *If yes, please provide a copy of all relevant documentation*	

APPENDIX 3
GSCP Reference Audit Checks

This tool part of the broader set of Reference tools designed to provide a common interpretation of fair labour requirements and their implementation. They will enable buying companies around the world to work towards mutual recognition of audit results.

The GSCP Reference tools are based on the GSCP Reference Code but can be adopted and tailored to other codes of conduct.

Note: The GSCP Reference Code gathers, in a single framework, the main international standards for fair labour conditions and fundamental labour rights. The GSCP Reference Code is not a substitute for existing codes or existing systems but brings together the standards and best practices that could be applied.

The Reference Audit Checks have been designed to provide auditors with the minimum requirements regarding audit methodology and evidence gathering. The audit checks are structured around the eight areas of the GSCP Reference Code and include guidance on:

- documents checks;
- worker interviews;
- management Interviews, Employment site Procedures and Processes;
- physical employment site inspection.

The list of checks should be used as guidance by auditors, and should not limit audit activities.

INTRODUCTION
RISK ASSESSMENT SYSTEM
AUDIT REQUEST
PREPARATION
AUDIT EXECUTION
AUDIT OUTPUTS
GLOSSARY
APPENDICES

INTRODUCTION

RISK ASSESSMENT SYSTEM

AUDIT REQUEST

PREPARATION

AUDIT EXECUTION

AUDIT OUTPUTS

GLOSSARY

APPENDICES **Appendix 3: GSCP Reference Audit Checks** ■

APPENDIX 3: GSCP REFERENCE AUDIT CHECKS ■

AUDIT CHECKS

0. Management Processes

Employment site Requirements:

1. the employment site has clearly defined, documented and supervised policy and procedures for the implementation and the management of fair labour conditions;

2. the employment site management ensures an effective communication of the policy and procedures for the implementation and the management of fair labour conditions;

3. the employment site has a method of assessing the risk in terms of fair labour conditions at subcontractor employment sites.

The following checks are intended as guidance and should not limit audit activities.

EVIDENCE GATHERING ON MANAGEMENT PROCESSES	COMMENTS
0.1 Document Checks	
□ Policies and procedures for the implementation and the management of fair labour conditions should meet recognised international standards, including those detailed in the relevant code of conduct.	
□ A member of the senior management team with responsibility for the application of fair labour requirements should have signed and dated any policies and procedures detailing the implementation and the management of fair labour conditions.	
□ There are financial and human resources allocated to implement the procedures.	
□ Policies and procedures include a clear definition of how they apply and to which personnel at the worksite.	
□ Policies and procedures assign responsibilities and timescales for each stage of implementation.	
□ Policies and procedures state the employment site's intentions to work with partners that meet its fair labour requirements, or who show commitment to work towards these requirements.	
□ Policies and procedures are regularly reviewed, in consultation with internal and external stakeholders, to ensure that they meet international fair labour standards.	

0.2 Worker Interviews

During worker interviews, corroborate worker testimony with document checks and management interviews. Ask workers:

☐ **Whether the employment site's fair labour policies and procedures have been communicated to workers, and through what means.**

☐ **Whether the fair labour policies and procedures are available in the language of the workers.**

☐ **Whether workers have received written communications or training on the fair labour policies and procedures, and if so, when this happened.**

☐ **Whether any workers who are not able to read, have had the fair labour policies and procedures communicated in an alternative means, and if so, what those means were.**

0.3 Management Interviews, Employment site Procedures and Processes

☐ **The employment site takes all reasonable steps to extend its knowledge of the provenance of all products and materials produced or sourced.**
For example, this could be done through recording the country/region of manufacture/production, or through training of suppliers of raw materials, ingredients, etc.

☐ **Check whether the employment site has a list of subcontractors.**

☐ **The employment site holds contracts and records of arrangements made with any subcontractor(s).**

☐ **Managers at supplying sites should have communicated the relevant labour standard requirements to their subcontractors, and that they are aware of the situation on sub-contractor sites** *(for example through discussions and visit histories).*

☐ **Overall audit history of the subcontractor(s) and review any non-compliances which have been raised. Where possible, the employment site should hold records of audits conducted on any subcontractor.**

☐ **Risk assessments should include such sources of information as provided by Trade Unions (local, national and international), NGOs, the ILO, local legal records, etc.**

☐ **Risk assessments and agreements with subcontractors are held centrally, are readily accessible and are regularly updated.**

INTRODUCTION

RISK ASSESSMENT SYSTEM

AUDIT REQUEST

PREPARATION

AUDIT EXECUTION

AUDIT OUTPUTS

GLOSSARY

APPENDICES

1. Forced, Bonded, Indentured and Prison Labour

Employment site Requirements:

1. all work is conducted on a voluntary basis, and not under threat of any penalty or sanction;

2. the use of forced or compulsory labour in all its forms, including prison labour when not in accordance with ILO Convention 29, is prohibited;

3. employment sites do not request workers to make deposits/ financial guarantees and do not retain identity documents;

4. bonded labour is prohibited;

5. indentured labour is prohibited.

The following checks are intended as guidance and should not limit audit activities.

EVIDENCE GATHERING ON FORCED, BONDED, INDENTURE, PRISON LABOUR	COMMENTS
1.1 Document Checks	
1.1.1 Contracts	
☐ There is a process in place for workers to give notice if they wish to leave employment.	
☐ Workers can voluntarily end their employment.	
☐ Workers are not fined and/or do not lose their residency papers if they leave the employer.	
☐ Workers receive their final salary payment when they leave employment.	
☐ Job descriptions / tasks of the security guards do not mention restrictions on worker movements.	
☐ All workers (including prison labourers) have a contract of employment which details their rights and obligations, as well as notice periods and grievance procedures.	
☐ Worker contracts do not have any clauses that would effectively restrict the ability of workers to leave their employment.	
☐ Loans or other financial agreements between the worker and the employer are not included in the contract of employment.	

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1.1.2 Personnel Files

☐ **Management retain copies only of ID and right to work documentation.**

☐ **Management returns all original documentation to workers, within a reasonable time, once it has been copied. Management should not retain original documentation longer than is required for the purpose of copying it.**

☐ **If employers must retain workers' original ID because of local legal requirements, check that:**
• signed and informed consent letters from workers authorise employers to hold their ID;
• there is a system whereby workers can retrieve their ID at any time;
• employers inform workers of these procedures.

☐ **Management must have signed agreement between worker and management relating to any loans made by the company to the worker, stipulating repayment terms and conditions.**

☐ **If the employer makes any deductions (including repayment of loans) from workers' pay, except mandatory deductions, check that:**
• deductions are legally permitted;
• workers have signed a document setting out the amount of the deduction and giving their consent;
• workers have a copy of this document;
• deductions are reasonable and neither reduce pay below legal minimum wage levels for hours worked nor breach local legal limits;
• no deductions are made for disciplinary reasons;
• no deductions are made for essential items such as protective equipment and/or clock-in cards.

☐ **If workers pay deposits or deposits are withheld from salaries, check that:**
• deposits are legally permitted;
• workers have signed a document setting out the amount of the deposit, the terms of its return and the worker's consent;
• workers have a copy of this document;
• amounts are reasonable and neither reduce pay below legal minimum wage levels for hours worked nor breach local legal limits;
• there is evidence of deposits being returned to workers as set out in the agreement;
• deposits are not a compulsory condition for workers to gain employment.

⋮

INTRODUCTION

RISK ASSESSMENT SYSTEM

AUDIT REQUEST

PREPARATION

AUDIT EXECUTION

AUDIT OUTPUTS

GLOSSARY

APPENDICES

INTRODUCTION

RISK ASSESSMENT SYSTEM

AUDIT REQUEST

PREPARATION

AUDIT EXECUTION

AUDIT OUTPUTS

GLOSSARY

APPENDICES

1.2 Worker Interviews

During worker interviews, corroborate worker testimony with document checks and management interviews. Ask workers:

☐ What the procedures are for giving notice and leaving their employment.

☐ Whether there are any restrictions in their ability to move around or leave the employment site.

☐ Whether they are in possession of their identity documents (or, if the employer must keep original documents by law, that workers are aware of the procedure for retrieving documents and that this procedure is operational)

☐ Whether they are comfortable with security measures, whether they feel that their movements are unreasonably restricted in any way.

☐ Whether any deductions are made from their salaries, if so whether they have agreed the amount and have a copy of their agreement

☐ Whether they have been given any loans by the company management, and if so whether they have agreed the amount, have a copy of their agreement, and understand the repayment terms and conditions.

☐ Whether any deposits have been taken from the workers, if so what the deposits are for, and when the deposits will be repaid and under what circumstances. Whether workers have a copy of the agreement relating to the deposit.

☐ For all deductions, loans or deposits, workers:
  • have agreed the amount;
  • are aware of the terms;
  • state that the amounts are reasonable.

☐ Whether all workers, including prison labourers, are voluntarily employed and can end their employment at any time.

☐ Whether workers are able to leave accommodation without leaving their employment.

1.3 Management Interviews, Employment site Procedures and Processes

☐ The employment site is aware of local law and fair labour conditions regarding the use of deposits, loans, deductions, prison labour, and the retention of ID papers.

☐ Check that a worker to whom loans have been made is not tied to the employer for the duration of the loan (this can include procedures for re-assigning the loan to a new employer or for early repayment).

☐ Security procedures do not unreasonably restrict the free movement of workers.

☐ **Management does not permit or encourage workers to incur debt through recruitment fees, fines or other means, before during or after employment.**

☐ **Prison labour:**
- the relevant documentation is in place which allows / authorises the use of prison labour on the employment site;
- activities are under the supervision and control of the public authority;
- management has a list of any prison labourers who are present on the employment site at any one time;
- pay and hours are in line with legal regulations;
- prisoners work voluntarily.

1.4 Physical Employment site Inspection

☐ **Fire exits, all doors and windows are unlocked during working hours.**

☐ **Workers are able to leave the employment site freely during breaks and rest-time.**

☐ **Dormitories are secure, but workers are able to leave them when they wish.**

☐ **Any restrictions (e.g. curfews) are reasonable.**

☐ **Workers are not restricted from leaving or moving around the employment site.**

☐ **Dormitory accommodation (if provided) has individual secured lockers to store documents and other personal possessions.**

☐ **Security guards are not able to restrict the free movement of workers or their right to leave the workplace at the end of their shift.**

☐ **Security guards are not threatening to workers**

☐ **Working conditions of prison labourers are in line with legal regulations.**

INTRODUCTION

RISK ASSESSMENT SYSTEM

AUDIT REQUEST

PREPARATION

AUDIT EXECUTION

AUDIT OUTPUTS

GLOSSARY

APPENDICES

2. Child Labour and Young Workers

Employment site Requirements:

1. no children are employed;

2. sensitive and appropriate solutions are sought in case of child labour;

3. specific conditions are applied to protect young workers.

The following checks are intended as guidance and should not limit audit activities.

NB: Child workers are workers under the age of 15 or under the legal minimum working age, whichever is higher. If however, local minimum age law is set at 14 years of age in accordance with developing country exceptions under ILO Convention 138, then a child worker may be considered to be a worker below the age of 14.

Young workers are workers younger than 18 years of age, but older than the legal minimum working age.

EVIDENCE GATHERING ON CHILD LABOUR	COMMENTS
2.1 Document Checks	
2.1.1 Personnel Files	
□ **The employer holds an individual personnel record for each worker.**	
□ **Personnel records specify the date of birth of each worker; the following documentation may be permissible:**	
• voter identity cards with photo;	
• birth certificate;	
• notary or medical certificate;	
• national / social insurance number;	
• medical examination prior to employment;	
• ration cards, etc.;	
• multiple written documents and affidavits;	
• school leaving certificate;	
• school diploma.	
□ **All documentation provided is valid and genuine.**	
□ **No worker is under the age of 15 or under the legal minimum working age, whichever is higher. If, however, local minimum age law is set at 14 years of age in accordance with developing country exceptions under ILO Convention 138, this lower age may apply.**	
□ **All young workers on the employment site are registered with local authority where required by local legal requirements.**	
□ **Check if young workers have consent of a parent or guardian, where required by law and/or where possible.**	
□ **Each young worker's personnel file should contain reports of medical examinations.**	

INTRODUCTION

RISK ASSESSMENT SYSTEM

AUDIT REQUEST

PREPARATION

AUDIT EXECUTION

AUDIT OUTPUTS

GLOSSARY

APPENDICES

☐ Contracts and job descriptions for young workers state the limitations on the nature of work permitted.

☐ Young workers engaged under a vocational or other training course have information pertaining to that course within their personnel files.

2.1.2 Policy Documents

☐ The employment site has a robust system for age verification.

☐ The employment site holds documentation regarding training and apprenticeship schemes where applicable.

☐ The employment site maintains a list of young workers and their roles on-site.

☐ The employment site has a procedure for the remediation of any child labour found on the employment site.

☐ The remediation procedure was developed in conjunction with local partner organisations.

☐ Child labour remediation policies and procedures are in line with local legal regulations, and established international requirements.

☐ Verify the success of any remediation programmes and any subsequent changes to the systems at the employment site:
- ensure that children are in education and are supported by the factory or other stakeholder to ensure that they are able to continue in education until they reach the legal working age. The programme should be driven by the best interests of the child in question.

☐ Check the risk assessment policy to ensure that young workers and the risks associated with employing them are specifically covered.

☐ Check that there is a policy regarding the use of vocational training schemes.

☐ Check that there is a written agreement between the school and the employment site regarding all workers who are engaged on a vocational training programme.

2.1.3 Sub-contracting Documents

☐ The employment site holds a list of sub-contractors or suppliers of all products and materials.

☐ The employment site has a written contract with the sub-supplier which includes commitments to prevent and prohibit the use of child labour.

☐ Procedures for the prohibition of child labour at sub-suppliers employment sites are in place, and are in line with local legal regulations, and established international requirements.

☐ Review audit history of sub-suppliers employment sites to gain visibility of conditions at sub-supplier employment sites. It is important to ensure that the employment site is aware of their role in ensuring that their sub-suppliers are committed to the prohibition of child labour, and are able to review their practices. Checks should therefore be made to increase transparency and knowledge of these units to ensure that sub-suppliers are adhering to child labour requirements.

INTRODUCTION

RISK ASSESSMENT SYSTEM

AUDIT REQUEST

PREPARATION

AUDIT EXECUTION

AUDIT OUTPUTS

GLOSSARY

APPENDICES

2.2 Worker Interviews

During worker interviews, corroborate worker testimony with document checks and management interviews. Ensure that young workers are included in the interview pool. Ask workers:

☐ **Whether there are any children working on the employment site.**

☐ **Whether young workers are engaged on the employment site in hazardous, night or overtime work or work that would interfere with their education.**

☐ **Whether young workers are happy / comfortable with their employment conditions.**

☐ **Whether young workers' employment conditions are in line with local and international requirements.**

2.3 Management Interviews, Site Procedures and Processes

☐ **The employment site should be aware of local laws regarding the minimum age of employment and regulations concerning young workers.**

☐ **The employment site should be aware of established international requirements regarding the minimum age of employment and regulations concerning young workers, such as those detailed in the relevant code of conduct:**
  • employment sites shall not employ any person under the age of 15 or under the legal minimum working age, whichever is the higher. If, however, local minimum age law is set at 14 years of age in accordance with developing country exceptions under ILO Convention 138, this lower age may apply.

☐ **The age verification systems at sub-supplier employment sites are robust.**

☐ **Check recruitment and dismissal records to determine whether any children or young workers have been hired or fired by the employment site in the past 12 months.**

2.3.1 Child Labour Remediation

☐ **Review documentation on the implementation of policies and procedures concerning the remediation of child labour.**

☐ **Determine whether local organisations were involved in the development of the policies and procedures.**

☐ **Check if local organisations have been involved in the remediation of any child labour found on the employment site; supporting them or providing them with education / vocational training.**

☐ **Check whether there have been any remediation plans or written statements within the past 12 months.**

☐ **Establish the commitment of the employment site to engage in a remediation plan for all underage workers.**

☐ **Ensure that the employment site signs a written agreement / commitment for the remediation programme required, which includes:**
  • ensuring the child no longer works;
  • establishing a method of keeping the child protected and safe without them being at risk or required to work;
  • contact details of the child and their parents;
  • payment of a stipend;
  • identification of education programmes for the child.

INTRODUCTION

RISK ASSESSMENT SYSTEM

AUDIT REQUEST

PREPARATION

AUDIT EXECUTION

AUDIT OUTPUTS

GLOSSARY

APPENDICES

□ Appendix 1: GSCP Reference Self Assessment Questionnaire   □ Appendix 2: GSCP Reference Pre-Audit Employment Site Profile   ■ Appendix 3: GSCP Reference Audit Checks   □ Appendix 4: GSCP Reference Alert Notification
□ Appendix 5: GSCP Reference Audit Report   □ Appendix 6: GSCP Reference Supplementary Audit Information   □ Appendix 7: GSCP Reference Summary of Findings and Corrective Actions

□ Assign or ask the management to assign a contact with whom the audit requestor / auditor / Civil society organisation can liaise regarding the programme.

□ Ensure that the employment site agrees to meet the requirements of industry best practice in the development and management of the remediation programme.

2.3.2 Young Workers

□ Management verify fitness of young workers to work through regular (at least once per year) medical check-ups by a qualified physician.

□ Registers of young workers must:
• be up-to-date;
• record names, ages and dates of birth;
• indicate the job roles of young workers.

□ Check whether the ability of young workers to attend school or perform school-related responsibilities is preserved.

□ Overtime work is prohibited for young workers.

□ The production processes in which young workers are involved conform to local and international regulations.

□ There is a minimum of 12 hours' night rest between shifts for young workers.

□ Young workers' holidays are at least equal to those of adults and / or in line with local legal requirements.

□ Social security applied to young workers is equal to that of adults.

□ Sufficient night rest is given to young workers.

□ The working conditions of young workers should be carefully monitored to ensure they meet local and international legal requirements.

□ Young workers receiving vocational orientation or training should be allocated to suitable tasks (i.e. not in contact with hazardous chemicals or operating heavy machinery) and to suitable shifts (i.e. not night work).

2.4 Physical Employment Site Inspection

□ Young-looking workers on-site.

□ Accommodation on-site dedicated to child care, if any, is appropriately staffed, equipped and safe. There should be sufficient protection and/or distance from the workplace to ensure that workers' children cannot enter the workplace or be exposed to any hazards.

□ Young workers only seen to be working in low risk roles and areas which are not hazardous.

INTRODUCTION

RISK ASSESSMENT SYSTEM

AUDIT REQUEST

PREPARATION

AUDIT EXECUTION

AUDIT OUTPUTS

GLOSSARY

APPENDICES

3. Freedom of Association and the Right to Collective Bargaining

Employment site Requirements:

1. workers have the right to join or form Trade Unions and to bargain collectively without prior authorisation from employment site management;

2. when needed, alternative forms of independent and free worker representation and negotiation are not hindered;

3. there is no discrimination against worker representatives or Trade Union members;

4. workers representatives are given access to the workplace in order to carry out their representative functions.

The following checks are intended as guidance and should not limit audit activities.

EVIDENCE GATHERING ON FREEDOM OF ASSOCIATION AND THE RIGHT TO COLLECTIVE BARGAINING	COMMENTS
3.1 Document Checks	
3.1.1 Personnel Files	
☐ **If the employer takes deductions for union fees, ensure:** • deductions are legally permitted; • workers have signed a document setting out the amount of the deduction and giving their consent; • workers have a copy of this document; • payslips record the deductions; • deductions are paid to the union.	
☐ **Personnel files of union representatives contain:** • any disciplinary records issued by management; • evidence of union members being dismissed; • any evidence of differential treatment.	
☐ **Management pays representatives for the time they spend carrying out their representative function.**	
3.1.2 Union Documentation	
☐ **Trade union meeting minutes record any discussions and all agreed actions and the responsibilities and deadlines relating to these actions.**	
☐ **Communications from employers respond to any proposals or concerns arising from meetings with Trade Unions.**	
☐ **Look for evidence that unions are active at the employment site, which may include:** • notices about joining unions; • meeting reports; • election reports; • list of union representatives and their functions; • strike history in the employment site; • the union constitution.	

□ Collective bargaining agreements (if in place) are fair and reasonable (read the agreements to assess the effectiveness of the union).

3.1.3 Other Forms of Worker Representation

□ If no Trade Union is active at the employment site, management should instigate an alternative form of worker representation (e.g. informal workers groups, committees).

□ Assess the effectiveness of worker representation through meeting minutes, reports, and notices that have been communicated to the workforce.

□ Any group intended to represent workers' views should be representative of the workforce, independent of management and able to represent the views of workers effectively.

□ Workers' committees / organisations must not be used to prevent workers from seeking the right to collectively bargain with their employers.

3.2 Worker Interviews

During worker interviews, corroborate worker testimony with document checks and management interviews. Ask workers:

□ Whether workers have joined a Trade Union or are aware of a Trade Union operating on the employment site.

□ Whether workers are aware of their rights to organise and bargain collectively.

□ If they are aware of any union fee deductions.

□ Whether Trade Union members can conduct their activities without unreasonable restrictions and/or interference by the employment site or management.

□ Worker representation:
• whether workers are aware who their representatives are;
• if workers are aware of the function of each representative and how representation works;
• whether workers are able to elect their representatives freely;
• whether workers are satisfied with their representatives and feel that the representative function on-site is effective.

□ Whether workers can have reasonable time off to engage in union activities, and if this time is paid (where legally required).

□ Whether policies and procedures have been effectively communicated to workers (written policy, employee handbook, other), and if so in which languages:
• if some workers are unable to read, ask workers if efforts are made to communicate policies, procedures, decisions and minutes to workers through an alternative method.

INTRODUCTION

RISK ASSESSMENT SYSTEM

AUDIT REQUEST

PREPARATION

AUDIT EXECUTION

AUDIT OUTPUTS

GLOSSARY

APPENDICES

☐ Whether information relating to collective bargaining agreements is circulated to workers.

☐ Whether homeworkers are covered by collective bargaining agreements and enjoy the same rights as workers on the employment site.

☐ Whether workers are aware of any alternative forms of worker representation (e.g. informal workers groups, committees).

☐ Whether workers believe that any existing committees or councils represent a genuine means by which workers can raise their concerns and discuss solutions with management.

3.2.1 Union and Workers Representative Interviews

During interviews with union and worker representatives, corroborate their testimony with document checks and management interviews. Ask them:

☐ If they are free from management interference and are able to represent workers' views independently.

☐ How workers' representatives are elected by the workforce, and whether this process is free and democratic.

☐ Whether workers' representatives feel that their role is effective at representing and promoting the views of workers.

☐ If facilities are provided for workers' representative to carry out their functions.

☐ Whether representatives are paid for the time they spend carrying out their representative function.

☐ Whether Trade Union notices can be posted on notice boards on the premises.

☐ Whether there is any recourse in place for workers' representatives who consider that their employment has been unjustifiably terminated, or that they have been subjected unfair treatment or an unfavourable change in their conditions of employment.

☐ Whether there have been any instances where the employment of a workers' representative has been terminated, that there was a valid reason for this action.

☐ Whether there has been any evidence of workers' representatives being discriminated against, or facing redundancy before other workers.

☐ Whether workers' representatives are able to contact all of the workers that are working for the employment site, including homeworkers.

☐ Whether representatives are provided with training on how to negotiate effectively with management.

☐ Whether representatives are able to communicate grievances to management, including through documented communication systems for resolving disputes between co-workers, supervisors, etc.

☐ Whether workers' representatives are able to negotiate and collectively bargain with management. This may involve reviewing documents and meeting notes from union or committee meetings.

3.3 Management Interviews, Employment site Procedures and Processes

☐ Management is aware of local laws / regulations concerning freedom of association and collective bargaining.

☐ Management is aware of established international requirements concerning freedom of association and collective bargaining, such as those detailed in the relevant code of conduct.

☐ The employment site has effective policies and provisions for the recognition of Trade Unions.

☐ Management has a list of relevant unions which are established in the country / region.

☐ If management has had any contact / dealings with any Trade Unions, and previous dealings with any of these unions, and the status of their union collaboration at the time of the assessment.

☐ Management is supportive of worker representatives and local unions and do not try to reduce the effectiveness or presence of unions / worker representatives on-site.

☐ Independent third parties are used to mediate any disputes over unfair treatment, including for workers' representatives.

☐ Management does not place restrictions on the establishment and growth, on a voluntary basis, of free, independent and representative workers' organisations.

☐ Management does not permit interference with, obstruction or prevention of Trade Union activities.

☐ Trade union policies and procedures apply to homeworkers as well as workers on-site.

☐ Unions have access to homeworkers as well as workers on-site.

☐ Policies and procedures regarding worker representation are effectively communicated to all workers (written policy, employee handbook, other).

3.4 Physical Employment site Inspection

☐ Check for evidence such as:
- notices about Trade Unions and other forms of worker representation;
- communications on notice boards;
- meeting reports/minutes are displayed for all workers to see (i.e. on notice boards) in relevant languages;
- election reports;
- list of union representatives and their functions.

INTRODUCTION

RISK ASSESSMENT SYSTEM

AUDIT REQUEST

PREPARATION

AUDIT EXECUTION

AUDIT OUTPUTS

GLOSSARY

APPENDICES

Appendix 4: GSCP Reference Alert Notification ☐ **Appendix 3: GSCP Reference Audit Checks** ■ Appendix 2: GSCP Reference Pre-Audit Employment Site Profile ☐ Appendix 1: GSCP Reference Self Assessment Questionnaire ☐ Appendix 5: GSCP Reference Audit Report ☐
Appendix 7: GSCP Reference Summary of Findings and Corrective Actions ☐ Appendix 6: GSCP Reference Supplementary Audit Information ☐

APPENDIX 3: GSCP REFERENCE AUDIT CHECKS ■

AUDIT PROCESS AND METHODOLOGY REFERENCE TOOLS - OCTOBER 2009

4. Discrimination, Harassment and Abuse

Employment site Requirements:

1. equal opportunities are thoroughly respected;

2. there is no discrimination in any form and workers are treated with respect and dignity;

3. all recruitment and promotional activities are determined by ability to do the job;

4. no bullying, harassment or abuse of any kind exists;

5. disciplinary procedures are available, comprehensible, publicised and recorded.

The following checks are intended as guidance and should not limit audit activities.

EVIDENCE GATHERING ON DISCRIMINATION, HARASSMENT AND ABUSE	COMMENTS
4.1 Document Checks	
4.1.1 Payroll Records	
☐ There is no pay inequality based on unfair or unlawful discrimination.	
☐ All workers receive the benefits and other rewards to which they are entitled.	
☐ No deductions are made for disciplinary reasons.	
4.1.2 Personnel Records	
☐ **Workers records' include:**	

- training Records;
- employment contract or letters of engagement;
- attendance records;
- termination records;
- records of disciplinary action and grievances.

☐ **Management retains workers' signed and dated training records of:**

- discrimination policy;
- fair treatment policy;
- disciplinary and grievance procedures;
- equal opportunities policy;
- equality of treatments policy;
- treatment of workers;
- security procedures.

□ **Interview notes and application forms do not indicate discrimination in hiring workers practices (e.g. female workers asked if they are likely to marry / have a family, older people turned away, relatively low proportion of migrant or particular nationality of workers).**

□ **Workers' contracts of employment confirm that all workers in the same roles are engaged under the same terms and conditions.**

□ **Pregnant Workers. Check personnel records for:**
- **maternity leave records;**
- cases of workers returning to their job after maternity leave;
- evidence that post-natal benefits are provided;
- evidence of other maternity or parental benefits being provided to workers;
- evidence of paternity leave and benefits being provided to male workers where required by law;
- cases of workers being moved from hazardous work whilst pregnant or breastfeeding.

4.1.3 Policy Documents

□ **There are policy documents in place covering the following:**
- recruitment & employment;
- compensation;
- access to training;
- promotion;
- termination and retirement;
- equal opportunities;
- discrimination ;
- health & safety;
- physical abuse and discipline;
- sexual or other harassment;
- abusive tone or language;
- other forms of intimidation;
- periods of notice before termination.

□ **Full explanations of all policies are available to all workers in relevant language(s). Where literacy is an issue, policies should be communicated by other means to ensure that workers are aware of them. Reference should be made to appropriate policies within a worker's contract of employment.**

INTRODUCTION

RISK ASSESSMENT SYSTEM

AUDIT REQUEST

PREPARATION

AUDIT EXECUTION

AUDIT OUTPUTS

GLOSSARY

APPENDICES

4.2 Worker Interviews

During worker interviews, corroborate worker testimony with document checks and management interviews. Ask workers:

☐ Whether they are aware of all of the relevant procedures that are in place on the employment site.

☐ Whether workers have used the grievance procedures, and if so:
- if they think the procedures are effective;
- if they feel able to utilise the grievance procedures to raise issues with management;
- if management deal with any grievances openly and fairly.

☐ Whether workers think the disciplinary rules and procedures are fair.

☐ Whether workers feel discriminated against with regard to any aspect of their employment.

☐ Whether workers are subject to verbal or physical abuse. [Please Note: this is a sensitive subject and should be approached cautiously and with respect for the feelings of workers.]

☐ Whether workers are subject to any unfair treatment or harassment. [Note: this is a sensitive subject and should be approached cautiously and with respect for the feelings of workers.]

☐ Whether workers are aware of maternity or paternity benefits, and whether they have knowledge of any workers being provided with maternity leave, other parental benefits and being able to return to work after maternity leave.

4.3 Management Interviews, Employment site Processes and Procedures

☐ The employment site is fully aware of legal requirements on discrimination, harassment and abuse.

☐ The employment site is aware of established international requirements concerning discrimination, harassment and abuse, such as those detailed in the relevant code of conduct.

☐ Management have implemented an effective system (e.g. suggestions box, anonymous phone line, etc.) which allows workers to leave anonymous comments for the employment site management.

☐ The employment site's recruitment advertising is compliant with the law and the requirements of relevant codes of conduct.

☐ Pregnancy tests do not form part of the recruitment process.

□ **Management follow established policies and procedures regarding the following:**
- recruitment & employment;
- compensation;
- access to training;
- promotion;
- termination and retirement;
- equal opportunities;
- discrimination;
- health & safety;
- physical abuse and discipline;
- sexual or other harassment;
- abusive tone or language;
- other forms of intimidation;
- periods of notice before termination;
- worker appeals against unfair dismissal;
- disciplinary/Grievance procedures.

□ **Management are able to track pay rates across different groups, to ensure that policies on equal pay are being adhered to and enforced.**

□ **Management have an open attitude to managing the workforce, and are committed to the principles of non-discrimination, equality and fair treatment.**

4.4 Physical Employment site Inspection

□ **Where appropriate, notice boards are used to communicate the following:**
- anonymous help-line numbers for workers to use if they want to raise an issue;
- grievance procedures detailing the employment site's commitment to confidentiality;
- a right of appeal for workers;
- disciplinary procedures.

□ **Any occurrences of verbal or physical abuse should be noted.**

□ **Any evidence that workers are anxious or fearful of managers/supervisors should be noted.**

INTRODUCTION

RISK ASSESSMENT SYSTEM

AUDIT REQUEST

PREPARATION

AUDIT EXECUTION

AUDIT OUTPUTS

GLOSSARY

APPENDICES

5. Health and Safety

Employment site Requirements:

1. all work and residential facilities provide safe and clean conditions for workers;

2. adequate steps are taken by management to prevent accidents and injuries;

3. workers are provided with access to adequate medical assistance and facilities;

4. workers are provided with access to clean toilet facilities, drinkable water and sanitary facilities;

5. residential facilities for workers, where provided, are clean and safe;

6. responsibility for health and safety is assigned to a senior management representative;

7. workers and management are provided with regular health and safety training;

8. adequate safeguards against fire are provided, plus stability and safety of buildings and equipment;

9. sufficient training of workers and management is undertaken in waste management, handling and disposal of chemicals and other dangerous materials.

The following checks are intended as guidance and should not limit audit activities.

EVIDENCE GATHERING ON HEALTH AND SAFETY	COMMENTS
5.1 Document Checks	
5.1.1 Records	

□ **Evidence of the following documentation should be seen:**
- valid equipment inspection certificates as per any applicable local regulations;
- machine maintenance reports;
- fire drill reports;
- appropriate building licences or production unit construction approval given by the local authorities;
- safety committee reports and any minutes from committee meetings, including issues raised and actions undertaken;
- employment site safety certificates;
- safety training reports;
- accident / injury / sickness register;
- risk assessment documents (e.g. reports and records) for work, residential and home working facilities;
- corrective action plans for eliminating or reducing the effect of the risks identified in the risk assessment;
- hazardous waste inventory and tracking records (e.g. disposal certificates, waste manifests, etc.);
- blood policy and procedures (linked to First Aid);
- needle and blade control policies;
- workers' training certification;
- electrical safety policies and maintenance checks;
- water test records to ensure that water is consistently safe to drink;
- employment site waste management systems, processes, procedures and controls;
- PPE distribution records.

INTRODUCTION
RISK ASSESSMENT SYSTEM
AUDIT REQUEST
PREPARATION
AUDIT EXECUTION
AUDIT OUTPUTS
GLOSSARY
APPENDICES

APPENDIX 3: GSCP REFERENCE AUDIT CHECKS

AUDIT PROCESS AND METHODOLOGY REFERENCE TOOLS - OCTOBER 2009

☐ **The employment site must have insurance for:**
- workplace structure and contents;
- employers' liability;
- worker accidents;
- fire.

☐ **Management should provide health and safety training for all workers both on-site and engaged in work on other sites on behalf of the employment site (i.e. homeworkers etc).**

☐ **Health and safety training should be appropriate to the tasks performed by the workers including demonstrations and information about:**
- machinery;
- chemicals;
- first aid and safety;
- housekeeping;
- PPE;
- other job-related training.

☐ **All new or reassigned workers should be given a refresher training course on health and safety.**

☐ **Relevant workers should be given appropriate training on the use of hazardous materials.**

In the following areas, the documentation should be checked as indicated:

☐ **Food hygiene:**
- hygiene certificates of the food preparation area (if required by law) must be up to date;
- conformance with relevant food hygiene law and regulations;
- current records of kitchen staff's training and certification demonstrate workers are adequately trained.

☐ **Machinery:**
- machinery safety certification (if required) present for each piece of machinery;
- machinery / equipment inspection and maintenance records kept up to date, and demonstrating that all machines are working adequately.

☐ **Chemicals and hazardous materials:**
- a Material Safety Data Sheet (MSDS) must be held on record for each hazardous chemical held on-site;
- check availability of risk assessment reports for information on chemicals exposure;
- check availability of waste management records for hazardous materials.

☐ **Ventilation:**
- review assessment report and action plan to ensure adequate ventilation on-site;
- check system inspection records are up to date;
- **air quality tests should have been carried out should demonstrate that the air quality is sufficient.**

INTRODUCTION

RISK ASSESSMENT SYSTEM

AUDIT REQUEST

PREPARATION

AUDIT EXECUTION

AUDIT OUTPUTS

GLOSSARY

APPENDICES

□ **Lighting:**
- check records of lighting tests to ensure that lighting is consistently of a reasonable standard.

□ **Temperature:**
- review thermal stress assessment report and action plan to ensure appropriate temperature on-site;
- check temperature test records for the past year to ensure that the temperature remains comfortable even at the hottest and coldest time of year.

□ **Noise and vibrations:**
- review the noise and vibration risk assessment report to identify whether any risks exist to workers;
- review any employment site action plans on noise and vibrations.

□ **Fire:**
- review evacuation plans for all areas of the employment site and any accommodation to ensure they are detailed and appropriate;
- all buildings must have evacuation plans posted in prevalent areas and notice boards;
- all workers must receive fire prevention and evacuation training; records should be kept for all workers;
- review fire risk assessments and ensure they are up to date and actions are being followed to minimise risk;
- review fire safety certification for the employment site and accommodation where possible;
- every employment site must have an emergency plan / procedure / arrangements (e.g. fire wardens, coordination with local fire brigade, etc.);
- review records of any fire evacuation drills to ensure time taken to evacuate building is within legal limits;
- fire evacuation drills must be conducted on a regular and frequent basis.

5.1.2 Personnel Files

□ **All workers must have received health and safety training and records should be kept in their personnel files.**

□ **Any worker (worker or homeworker) using heavy machinery must have received training, and records should be kept.**

□ **All workers should have received fire safety training.**

□ **Safety instructions and fire evacuation routes must be communicated to all workers (e.g. through posters).**

□ **Safety instructions are fully understandable, and displayed in workers' native language(s).**

□ **Where some workers are not able to read, instructions should be communicated in an alternative manner.**

□ **Any worker named as a first aider must receive adequate training, and records should be kept in their personnel file.**

5.2 Worker Interviews

During worker interviews, corroborate worker testimony with document checks and management interviews. Ask workers:

□ **Whether there is any worker representation on the Health & Safety committee.**

□ **Whether they are aware of any of the following:**
- H&S procedures (and have been trained on);
- accidents and injuries that have occurred on-site;
- what to do in the case of an accident;
- the H&S committee, how to use it and who the representatives are;
- fire evacuation procedures;
- the requirements for PPE and confirm that they use it on days when auditors or customers are not present.

□ **Whether workers have been involved in a fire drill in the past 12 months.**

□ **Whether workers feel safe and secure in the workplace.**

□ **Whether workers are happy with the general working conditions on-site, including:**
- canteen, food storage and hygiene facilities;
- housekeeping;
- lighting;
- temperature;
- ventilation and air quality;

□ **What information has been provided to homeworkers on health and safety hazards and personal protective equipment?**

□ **In relation to chemicals and hazardous materials:**
- whether that the health of workers who handle hazardous materials is monitored. And if so, how?
- whether workers are aware of the hazards associated with exposure to the chemicals used;
- whether workers have received training on how to obtain and use the information provided on labels and MSDS.

5.3 Management Interviews, Employment site Procedures and Processes

□ **Management is aware of the national / local laws on health and safety including:**
- accidents;
- medical assistance and first aid;
- worker facilities and resources (accommodation, toilets, canteens etc);
- management;
- waste and dangerous materials;
- machinery and transport;
- protective equipment.

□ **The employment site has H&S policy and procedures in place, covering:**
- occupational health and safety;
- both work and residential facilities.

INTRODUCTION

RISK ASSESSMENT SYSTEM

AUDIT REQUEST

PREPARATION

AUDIT EXECUTION

AUDIT OUTPUTS

GLOSSARY

APPENDICES

INTRODUCTION

RISK ASSESSMENT SYSTEM

AUDIT REQUEST

PREPARATION

AUDIT EXECUTION

AUDIT OUTPUTS

GLOSSARY

APPENDICES

APPENDIX 3: GSCP REFERENCE AUDIT CHECKS ▪

AUDIT PROCESS AND METHODOLOGY REFERENCE TOOLS - OCTOBER 2009

▢ **Management should ensure that steps are taken to minimise accidents and injuries on-site.**

▢ **Management should undertake appropriate health and safety risk assessments on a regular basis, to include:**
  - working environment;
  - machinery, chemicals and other hazards;
  - workers in hazardous roles;
  - young workers, the disabled, women and other potentially vulnerable workers;
  - night workers;
  - fire risks;
  - worker facilities and resources.

▢ **Management must ensure that appropriate and effective personal protective equipment is provided to workers (see PPE below, for more detailed information).**

▢ **Chemical handling and disposal procedures must be in place (see below for more detailed information).**

▢ **Equipment and maintenance procedures for machinery and tools must be in place (see below for more detailed information).**

▢ **Ventilation, lighting, temperature, noise and vibration monitoring procedures must be in place (see below for more detailed information).**

▢ **Review emergency and accident procedures. Specifically:**
  - fire evacuation procedures;
  - accidents procedures;
  - first aid arrangements.

▢ **There should be a Health and safety Committee on-site, and there must be worker representation on the committee.**

▢ **Appropriate H&S training should be available for all workers.**

▢ **First aid risk assessments and records of injuries and accidents should be checked to ensure that risks are minimised and accidents are investigated to prevent similar occurrences in the future.**

5.4 Physical Employment site Inspection

▢ **There are at least 2 unlocked/unblocked fire exits on each floor of the employment site.**

▢ **There are a sufficient number of fire extinguishers, fire hydrants and sprinklers to provide sufficient coverage for the whole employment site.**

▢ **All fire safety equipment should be appropriate and have been checked within the past year.**

▢ **All fire exit signage should be clearly visible and fire exits must not be blocked.**

- There are Material Safety Data Sheets (MSDS) for all hazardous materials / chemicals.
- Review safety arrangements at work stations.
- MSDS should be present in all areas where chemicals are stored and handled.
- All hazardous chemicals must be appropriately labelled.
- Check machinery and/or tools to ensure that safety devices are in place and that staff use PPE correctly.
- Review ventilation, lighting; temperature, noise and vibration to ensure all are appropriate (see below for more detailed information).

5.4.1 Accommodation

- The accommodation building (if provided) is not attached to the production area.
- Any accommodation building should be stable and safe.
- Management must provide sufficient toilet facilities and washing facilities for all workers living in the accommodation.
- The employment site should have local fire safety certification.
- There are at least 2 unlocked/unblocked fire exits on each floor.
- Management should ensure that they provide a comfortable and safe living environment for workers.
- The cooking area should be safe and hygienic.

5.4.2 Personal Protective Equipment

- Ensure PPE is freely available in the workplace (e.g. distribution points).
- Ensure PPE is freely available for homeworkers.
- Review workers' use of PPE in the workplace and at home (for homeworkers).
- Ensure that all workers are using PPE where it is necessary.

5.4.3 Machinery and Tools

- Machinery should be in good condition, with break downs kept to a minimum.
- Review machinery handbooks to understand frequency of breakdowns.

INTRODUCTION

RISK ASSESSMENT SYSTEM

AUDIT REQUEST

PREPARATION

AUDIT EXECUTION

AUDIT OUTPUTS

GLOSSARY

APPENDICES

Appendix 4: GSCP Reference Alert Notification ☐ **Appendix 3: GSCP Reference Audit Checks** ■ Appendix 2: GSCP Reference Pre-Audit Employment Site Profile ☐ Appendix 1: GSCP Reference Self Assessment Questionnaire ☐

Appendix 7: GSCP Reference Summary of Findings and Corrective Actions ☐ Appendix 6: GSCP Reference Supplementary Audit Information ☐ Appendix 5: GSCP Reference Audit Report ☐

5.4.4 Chemicals

☐ **Management should keep a hazardous chemicals inventory.**

☐ **Management should ensure that chemicals handling & storage practices in the workplace (included labelling and disposal) are well defined and communicated to all workers.**

☐ **Where necessary, information relating to the use of hazardous chemicals should be provided in alternative language(s).**

5.4.5 Ventilation

☐ **Ensure the ventilation system is sufficient and suitable.**

☐ **Check whether ventilation is natural or artificial or both.**

☐ **Ventilation is supplying fresh or purified air.**

5.4.6 Lighting

☐ **The lighting system is sufficient and suitable.**

☐ **Whether it is natural lighting.**

☐ **Review lighting distribution and usage conditions.**

5.4.7 Temperature

☐ **The temperature of the employment site is comfortable and does not fluctuate.**

☐ **Air conditioning and heating units are in use to ensure that the temperature is reasonable at all times.**

5.4.8 Noise and Vibrations

☐ **Whether noise and vibration levels are likely to have harmful effects on workers.**

☐ **PPE is provided to prevent harmful effects on workers as a result of noise or vibration.**

5.4.9 First Aid

☐ **Review availability of appropriate first aid/medical facilities on-site:**
 • check dispensary or first-aid posts, cupboards, boxes or kits;
 • expiration date of first aid supplies.

5.4.10 Manufacturing Hygiene Management (food and non food)

☐ Employment site should have procedures for the following:
- crawling and flying pest controls;
- control of foreign bodies.

5.4.11 Drinking Water

☐ Potable water must be made freely available for all workers.

☐ Workers have free access to potable water within accommodation.

☐ Workers are able to leave their work stations at will for the purpose of accessing drinking water.

5.4.12 Toilet Facilities

☐ There are sufficient numbers of clean and hygienic toilets, which are separated by gender.
There may be legal regulations re: the number of toilets which are required depending on the size of the workforce.

☐ Ensure the cleaning arrangements (e.g.: external or internal cleaners, cleaning frequency, etc.) are sufficient and frequent enough to maintain clean toilet facilities.

☐ All workers have free access to toilets and are able to leave their work stations at will in order to access these facilities.

5.4.13 Food Preparation and Storage

☐ Management should ensure hygienic conditions of the food preparation and food storage areas.

5.4.14 Fire Safety Precautions

☐ Safeguards against fire are provided, including:
- fire extinguishers and / or hoses;
- fire and smoke detectors;
- emergency exits which open outwards and are unlocked / unblocked at all times;
- fire exit and warning signage;
- hazard / emergency lighting which runs in the event of a power cut or emergency;
- fire alarms which can be activated by detectors or workers and can be heard throughout the employment site.

☐ Fire safety equipment is regularly maintained with written documentation and that it is in good conditions.

☐ There are at least 2 unlocked/unblocked fire exits on each floor in the employment site and any accommodation.

INTRODUCTION

RISK ASSESSMENT SYSTEM

AUDIT REQUEST

PREPARATION

AUDIT EXECUTION

AUDIT OUTPUTS

GLOSSARY

APPENDICES

6. Wages, Benefits and Terms of Employment

Employment site Requirements:

1. work performed is on the basis of a recognised employment relationship;

2. obligations to workers and management are met;

3. wages, overtime pay, benefits and paid leaves are duly provided to workers and meet or exceed legal minimum and/or industry benchmark standards and/or collective agreements, whichever is higher. Compensation should also meet basic needs and provide some discretionary income to workers and their family;

4. workers are provided with written and comprehensible information about their employment conditions, including wages, before they enter into employment; and they receive details of their wages for the pay period concerned each time they are paid;

5. no deductions are made from wages for unauthorised reasons or reasons not provided for by national law and that such deductions are not used as a disciplinary measure;

6. all workers are provided with all legally required benefits, including paid leave;

7. workers are compensated for all overtime at a premium rate.

The following checks are intended as guidance and should not limit audit activities.

EVIDENCE GATHERING ON WAGES, BENEFITS AND TERMS OF EMPLOYMENT	COMMENTS
6.1 Document Checks	
6.1.1 Payroll and Attendance	
☐ All workers (including part-time, home, agency and casual workers) receive at least the legal minimum wage for all standard working hours. (Where there are legal minimum wages grades, for example based on skill, the auditor should check that workers receive the applicable legal minimum wage).	
☐ Workers are not dependent on overtime pay to achieve a wage that allows workers to meet basic needs and provides them with some discretionary income.	
☐ Workers are paid regularly, at least once per month and in line with their contract of employment.	
☐ Workers are paid by cash, cheque or bank transfer and not in kind.	
☐ Night workers are paid a premium which is at least in line with local law.	
☐ Records pertaining to ex-workers should be checked to ensure that they have received: • final salary payments; • pay for unused leave or other outstanding payments; • all required benefits; • any severance pay due to them.	
☐ Cross check attendance records, pay records and holiday records to ensure that they are consistent.	

□ **Piece rate workers:**
- check the wage calculation system applicable to piece rates;
- piece rate workers should be paid at least the legal minimum wage for all hours worked;
- check the mode and frequency of payments to piece rate workers;
- check that wage records clearly demonstrate how overtime rates are calculated.

□ **Overtime should be paid at a premium (there may be legal requirements which have to be met. In any case the premium should be significant enough for it to be considered a 'premium' e.g. 125% of the normal rate).**

□ **Minimum legal requirements for overtime premiums should be paid to all workers for:**
- work over normal daily working hours;
- work over normal weekly working hours;
- work on weekly rest days;
- work on public holidays;
- work during annual leave days;
- night work.

□ **For hourly paid workers, overtime pay should be calculated using the correct multiples of each worker's basic wage.**

□ **Deductions:**
- deductions should be clear, legal and in proportion to the total wage (there may be legal restrictions on the maximum amount which can be taken for one single deduction, and the total amount which can be deducted from wages for each pay period);
- where deductions are for the reimbursement of loss of or damage to the employer's property, check that they only occur where it is legally permissible to do so and when it can be clearly shown that the worker concerned was responsible. In such situations, deductions should be fair and should not exceed the amount of loss or damage caused.

□ **Part-time workers:**
- check the number of hours worked by part-time workers to ensure that they are truly part time (there may be legal regulations on the maximum number of hours they can work.

6.1.2 Payslips

□ **Review a sample of workers' payslips [having sought permission]; the following information should be included on wage or payslips:**
- rates payable (based on hours worked: standard and overtime);
- the number of hours worked (standard and overtime) and any deductions;
- the method of calculating wages;
- the frequency of wage payments;
- the pay period concerned;
- the method of payment;
- any deductions from wages (e.g. tax, social / national insurance, rent, transport etc) and the conditions under which deductions have been made.

INTRODUCTION

RISK ASSESSMENT SYSTEM

AUDIT REQUEST

PREPARATION

AUDIT EXECUTION

AUDIT OUTPUTS

GLOSSARY

APPENDICES

☐ **Guidance should be available to workers to help them understand their pay slips.**

☐ **Payslips should be presented in a language that workers can understand.**

6.1.3 Contracts

☐ **A written and signed contract or letter of engagement is available.**

☐ **Workers have a signed copy of their contract in their possession.**

☐ **Contract should be written in a language that workers understand. Where literacy is an issue efforts must be made to explain terms and conditions to workers.**

☐ **Contracts or letters of engagement, for all types of worker, should include:**
- job description;
- clear terms and conditions of employment;
- name of worker and employer;
- length of employment (should state if it is indefinite);
- presence and length of any probationary period;
- leave;
- notice periods;
- discipline and grievance procedures;
- pay;
- working hours.

☐ **Probationary periods do not exceed the maximum specified by national law.**

☐ **Check any special contractual arrangement for homeworkers.**

☐ **Check any special contractual arrangements for migrant workers.**

☐ **Check the contractual terms and conditions and working arrangements of homeworkers and part-time workers. Including:**
- hours of work;
- contributions and other financial compensation in addition to basic wages;
- wages;
- social security benefits;
- frequency of work;
- notice periods.

6.1.4 Personnel Files

☐ **Entitlement to work can be evidenced by:**
- copies of legal documents for migrant workers;
- copies of applicable work permits;
- copies of ID documentation.

☐ **Leave and benefits to which workers are contractually entitled should be recorded in personnel files.**

☐ **Signed copies of contracts or other required documentation should be held in personnel files.**

☐ **Review application forms and interview notes to ensure that they are consistent with other documentation and worker testimony.**

☐ **Deductions from wages require there to be a signed consent forms within the personnel files.**

☐ **Disciplinary records for any fines that have been levied against workers should be held on file.**

☐ **Termination records within personnel files for all workers (including homeworkers, casual workers, agency workers and part time workers) should show that the termination process followed was consistent with the contractual terms and conditions.**

6.1.5 Policies

☐ **The employment site should have clear written policies on the following:**
- the use of fixed-term contracts, part-time work, casual work and homework (to ensure no excessive use of these types of contract);
- the use of agency or contract labourers;
- the legal minimum wage;
- wage calculations;
- mode and frequency of payment;
- the applicable standards for workers' compensation (basic needs must be met for all workers after applicable company deductions have been taken out, such as payments for accommodation and food);
- benefits and insurance;
- equal pay for work of equal value;
- equal opportunities;
- the prohibition of punitive fines;
- deductions;
- workers' right of appeal regarding fines;
- payment for public holidays;
- social insurance (including the payment of monies deducted from wages to the appropriate authorities);
- sick leave;
- casual leave;
- maternity and paternity leave and benefits;
- workers' ability to appeal decisions regarding deductions made from their wages;
- payment of overtime;
- the coverage of the health, safety and welfare of workers, in particular through:
  - annual leave;
  - sick leave entitlements and pay;
  - maternity and paternity benefits;
  - part time worker conditions;
- night work provisions.

INTRODUCTION

RISK ASSESSMENT SYSTEM

AUDIT REQUEST

PREPARATION

AUDIT EXECUTION

AUDIT OUTPUTS

GLOSSARY

APPENDICES

□ **Check that staff handbooks cover the following employment aspects:**
- job description;
- performance targets;
- annual and sick leave;
- standard working hours;
- overtime regulations including the right to refuse overtime;
- applicable wage rates;
- holidays;
- benefits;
- promotion process;
- discipline;
- grievance procedures and termination policies.

6.1.6 Agency Agreements

□ **There is an agreement between the employment site and the agency / labour provider.**

□ **There are agreements between the agency / labour provider and each worker on-site.**

□ **The charge rates of agencies are sufficient to pay workers all wages and other entitlements as well as agency costs and an amount for profit (there may be regional or national guidance on how much this should be).**

6.1.7 Production Records

□ **Production records of part-time workers and homeworkers should be referenced as a cross-check against working hours records.**

6.1.8 Worker Records

□ **The employment site should have an up to date list of workers – including permanent, casual, temporary, seasonal, agency, apprentices, vocational trainees.**

6.2 Worker Interviews

During worker interviews, corroborate worker testimony with document checks and management interviews. Ask workers:

□ **Whether workers (including agency, casual, part-time and home-workers) understand:**
- how their wages are calculated, and their hourly and total pay rates;
- whether there are any deductions made from their wages, and if so, how much?

INTRODUCTION

RISK ASSESSMENT SYSTEM

AUDIT REQUEST

PREPARATION

AUDIT EXECUTION

AUDIT OUTPUTS

GLOSSARY

APPENDICES

☐ **Whether workers (including agency, casual, part-time and home-workers) are aware of:**
- deductions or fines that come from their pay, and that they have agreed to them;
- their terms and conditions, and have a signed copy of their contract;
- all benefits and social security to which they are entitled.

☐ **Whether they:**
- receive a payslip each time they are paid, and that this is accurate;
- are financially stable and are able to earn enough to make ends meet and have some discretionary income;
- are permanent workers wherever possible, and that fixed term or agency workers are able to take permanent positions where possible;
- are able to take paid maternity or paternity leave, as well as paid sick leave;
- have experience of any mistakes being made by payroll, and if so, how quickly any inaccuracies are corrected.

6.3 Management Interviews, Employment site Processes and Procedures

☐ **Management is aware of the national/local laws and international and industry guidelines on:**
- employment;
- wages, overtime pay and benefits, workers' basic needs and discretionary income;
- the communication of employment conditions;
- deductions;
- compensation for overtime.

[Note: When referring to industry benchmark standards, wages throughout the industry as a whole should be examined to decide what "minimum wage" should be. This could be done in a multi-stakeholder forum that includes inter alia governments, industry representatives, etc.]

☐ **Management should ensure that employment is mutually beneficial for all workers – that there are no workers treated differently or less favourably because of their employment status (including casual or part-time workers).**

☐ **Management should not engage 'casual' or part-time workers on a semi-permanent basis to avoid charges and other obligations on the part of the employer.**

7. Working Hours

Employment site Requirements:

1. working hours should comply with national laws, benchmarked industry standards or relevant international standards – whichever affords the greater protection to the welfare of the workers;

2. the standard allowable working hours in a week are 48, excluding overtime. Workers shall not on a regular basis be required to work in excess of 48 hours per week;

3. overtime shall be voluntary, shall not exceed twelve hours per week and shall not be requested on a regular basis;

4. management should ensure that workers receive at least one free day following six consecutive days of working. This is given in addition to public and annual holidays;

The following checks are intended as guidance and should not limit audit activities.

EVIDENCE GATHERING ON WORKING HOURS	COMMENTS
7.1 Document Checks	
7.1.1 Records	
☐ **The process for recording workers' hours must be accurate.**	
☐ **Production records separate standard time and overtime.**	
☐ **The employment site should have policies and procedures on working hours covering the following:** • terms of employment – regular working hours and days; • overtime requirements and pay; • non discrimination and equal opportunities; • disciplinary and grievance procedures for lateness and other hours issues.	
☐ **Pay slips and payroll details should show the total number of hours worked.**	
☐ **Check the monthly working hours of selected employees for a minimum period of 3 months and note:** • the average; • the highest; • the lowest; • days rest; • days leave; • days sick.	
☐ **Check working hours against pay records to ensure there are no inconsistencies.**	

□ **Normal hours of work for homeworkers are comparable to those workers performing similar or comparable work on-site.**

□ **Quality records and cross-check with the working hours records to establish whether quality issues and working hours are linked.**

□ **The employment site has a copy of any required legal authorisations from local authorities giving dispensation for working hours during peak seasons.**

□ **Any peak periods, when authorised, are clearly defined and limited in time.**

7.1.2 Personnel Files

□ **Check workers' contracts or letters of engagement for details on:**
- workers' standard working hours;
- workers' entitlement to rest days;
- overtime requests and conditions;
- holiday allowances.

□ **Production and planning records, and records on working hours must be consistent.**

□ **Check the following details in workers' personnel files:**
- disciplinary and grievances relating to working hours/attendance;
- details of overtime requests.

□ **Working hours should be included in any health and safety risk assessment to enable the employment site to understand the implications of long hours on the safety and health of the workers.**

□ **Workers are offered the possibility of switching from full-time to part-time work (or vice versa) if work of that nature becomes available.**
- if such a change is requested by the employment site but rejected by the worker, this should not constitute a valid reason for termination of employment.

□ **Any measures that may limit or reduce the time spent by workers travelling between their residence and workplace, such as:**
- co-ordination of shift times (including night shifts) with local public transport timetables;
- provision of collective means of transport (such as buses);
- payment of appropriate compensation for additional travelling expenses;
- building of housing complexes within a reasonable distance of the workplace.

INTRODUCTION

RISK ASSESSMENT SYSTEM

AUDIT REQUEST

PREPARATION

AUDIT EXECUTION

AUDIT OUTPUTS

GLOSSARY

APPENDICES

Appendix 4: GSCP Reference Alert Notification □   **Appendix 3: GSCP Reference Audit Checks** ■   Appendix 2: GSCP Reference Pre-Audit Employment Site Profile □   Appendix 1: GSCP Reference Self Assessment Questionnaire □
Appendix 7: GSCP Reference Summary of Findings and Corrective Actions □   Appendix 6: GSCP Reference Supplementary Audit Information □   Appendix 5: GSCP Reference Audit Report □

7.2 Worker Interview Checks

During worker interviews, corroborate worker testimony with document checks and management interviews. Ask workers:

☐ What their standard working hours are.

☐ Whether they feel under pressure to work long hours.

☐ Whether any overtime hours they do are voluntary, and whether workers can refuse to work overtime without experiencing any repercussions.

☐ Whether workers' standard monthly salary is sufficient to meet their family's cost of living, or whether it is necessary for a worker to complete overtime to reach this level.

☐ When the breaks are during the day, and how long they last.

☐ Whether the breaks they are given are sufficient to rest and eat.

☐ Whether they have an entitlement to annual leave, when they can take it, and how they apply for that leave.

☐ Whether they are able to claim other types of paid and unpaid leave such as:
- maternity / paternity leave;
- sick leave;
- dependants / compassionate leave;
- marriage or wedding leave;
- other legally mandated leave (e.g. for state or religious holidays).

7.3 Management Interviews, Employment site procedures and Processes

☐ The employment site is aware of local law regarding working hours, leave and breaks.

☐ The employment site is aware of established international requirements on working hours, leave and breaks, such as those detailed in the relevant code of conduct.

☐ All breaks and rest periods throughout the working day must be given in accordance with applicable laws.

☐ The employment site must allow a period of rest between shifts that is in accordance with the law.

☐ All workers must receive the rest opportunities afforded to them by law.

□ Rest periods given to workers operating heavy machinery must be in accordance with the law.

□ Pregnant workers have the opportunity to switch from night shifts to day work with no change in pay.

□ Normal hours of work for night workers are comparable to the working hours of day workers.

7.4 Physical Employment site Inspection

□ Review notice boards to check whether the following information is communicated to workers:
• working hours (full time / part time / night/ overtime / peak periods);
• days off and rest periods;
• annual and other leave;
• arrangements regarding working hours for home workers, part-time workers, night workers or migrant workers.

□ Information should be communicated in relevant worker languages.

□ There should be areas away from the production area where workers can rest or eat.

□ Review the facilities on offer in workers' rest areas. For example, is there provision of food and beverages for workers?

□ Observe rest breaks and clocking in / out wherever possible.

INTRODUCTION

RISK ASSESSMENT SYSTEM

AUDIT REQUEST

PREPARATION

AUDIT EXECUTION

AUDIT OUTPUTS

GLOSSARY

APPENDICES

Appendix 1: GSCP Reference Self Assessment Questionnaire ☐ Appendix 5: GSCP Reference Audit Report ☐

Appendix 2: GSCP Reference Pre-Audit Employment Site Profile ☐ Appendix 6: GSCP Reference Supplementary Audit Information ☐

Appendix 3: GSCP Reference Audit Checks ☐ Appendix 7: GSCP Reference Summary of Findings and Corrective Actions ☐

Appendix 4: GSCP Reference Alert Notification ■

APPENDIX 4

GSCP Reference Alert Notification

This tool is part of the broader set of Reference tools designed to provide a common interpretation of fair labour requirements and their implementation. They will enable buying companies around the world to work towards mutual recognition of audit results.

The GSCP Reference tools are based on the GSCP Reference Code but can be adopted and tailored to other codes of conduct.

Note: The GSCP Reference Code gathers, in a single framework, the main international standards for fair labour conditions and fundamental labour rights. The GSCP Reference Code is not a substitute for existing codes or existing systems but brings together the standards and best practices that could be applied.

Where a 'critical' non-compliance is identified, the auditor should, wherever possible, inform the audit requestor within 24 hours. If the audit requestor is on site, the auditor should communicate the critical non-compliance immediately. This will enable the audit requestor and the employment site to work together to plan an appropriate and timely resolution to the issue.

Please note, that if an auditor believes they might be at risk as a result of communicating a critical non-compliance, the audit team should wait until it is removed from that situation before issuing the alert notification.

Auditors should prioritise the welfare of workers when deciding how to inform employment site management of any critical non-compliance. Auditors should follow the escalation policies of the audit requestor to minimise any risk to workers.

A critical non-compliance is:

• an issue which presents imminent risk to workers' safety/ risk to life and limb or constitutes a significant breach of workers' human rights, and/or;

• a major non-compliance that has not been addressed or for which no significant improvement has been made by the time of a follow up audit, in spite of supplier commitment to resolve the issue;

• an attempt to pervert the course of the audit through fraud, coercion, deception or interference.

Critical non-compliances include:

• inconsistencies between different types of documents and worker testimony [see Section 4.4.2];

• child labour (reported or confirmed through documentation);

• involuntary, indentured, or involuntary prison labour (including forced overtime and absence of payment);

• workers subjected to physical abuse;

• workers subjected to sexual harassment or abuse;

• workers in immediate danger;

• workers not being paid at all;

• workers subjected to discriminatory practices (e.g. during recruitment, workers are tested for medical conditions not required by law or product safety requirements, e.g. pregnancy, HIV/AIDS, hepatitis etc.);

• union members, union or worker representatives are actively harassed, penalised or discriminated (directly or indirectly) against;

• attempted bribery;

• auditors denied access or obstructed from conducted from conducting a proper audit;

• evidence of the deliberate provision of false information to auditors so as to disguise unfair labour conditions.

REFERENCE ALERT NOTIFICATION

1. Key Information

EMPLOYMENT SITE AND AUDIT INFORMATION	
Name of the audited company:	
Supplier name:	
Employment site name:	
Country:	
Audit date:	
Date of alert:	
Lead auditor:	
Issue area(s):	

2. Details of critical non-compliance(s)

Critical non-compliances should be presented in a consistent format, with sufficient detail concerning the issue(s) and its context to enable useful remediation discussions to begin. A table should be completed for each issue found.

CRITICAL NON-COMPLIANCE	
Code or labour law provision in breach:	
Description of critical non-compliance:	
Auditor findings (description, extent of issue, etc.):	
Documentary, interview and other evidence found:	
Management response:	
Proposed corrective actions:	

INTRODUCTION

RISK ASSESSMENT SYSTEM

AUDIT REQUEST

PREPARATION

AUDIT EXECUTION

AUDIT OUTPUTS

GLOSSARY

APPENDICES

INTRODUCTION

RISK ASSESSMENT SYSTEM

AUDIT REQUEST

PREPARATION

AUDIT EXECUTION

AUDIT OUTPUTS

GLOSSARY

APPENDICES

Appendix 4: GSCP Reference Alert Notification ☐ Appendix 3: GSCP Reference Audit Checks ☐ Appendix 2: GSCP Reference Employment Site Profile ☐ Appendix 1: GSCP Reference Self Assessment Questionnaire ☐ **Appendix 5: GSCP Reference Audit Report**

Appendix 7: GSCP Reference Summary of Findings and Corrective Actions ☐ Appendix 6: GSCP Reference Supplementary Audit Information ☐

APPENDIX 5

GSCP Reference Audit Report

This tool is part of the broader set of Reference tools designed to provide a common interpretation of fair labour requirements and their implementation. They will enable buying companies around the world to work towards mutual recognition of audit results.

The GSCP Reference tools are based on the GSCP Reference Code but can be adopted and tailored to other codes of conduct.

Note: The GSCP Reference Code gathers, in a single framework, the main international standards for fair labour conditions and fundamental labour rights. The GSCP Reference Code is not a substitute for existing codes or existing systems but brings together the standards and best practices that could be applied.

The context, findings, issues and actions against each area of the audit standard used should be reported to the audit requestor

The report should be available in English to ensure that it can be shared with various stakeholders, as well as in the language of the management wherever this is possible. The report should be delivered to the audit requestor within 10 business days of the audit.

For each provision of the audit standard, the report should set out:

- description of the current situation, including how specific requirements are managed by the employment site;

- provide evidence and information to substantiate the findings;

- for each non-compliance or observation, the report should provide a:

  / description of the non-compliance or observation, its frequency and the number of people concerned;

  / evidence found to substantiate it;

  / classification to applicable law, code of conduct, etc.;

  / recommended corrective action with a timeframe for completion, responsibility and verification method required.

The report should include photos of the employment site such as:

• outside general overview;

• inside general overview;

• various stages of the manufacturing process;

• safety equipment;

• machines guards;

• drinking water;

• first aid equipment;

• break room / staff room;

• toilets and showers as applicable;

• dormitories where applicable;

• canteen where applicable;

• kitchen where applicable;

• best practices which can be photographed;

• non-compliances which can be photographed.

Unless agreed by all parties in writing, the audit organisation will not distribute the report to any entities except the audit requestor. However, the audit requestor should share the report with the employment site/customer/supplier as soon as possible in order to facilitate co-operation on continuous improvement.

Auditors may feel the need to produce a separate, supplementary report for the audit requestor containing:

• information too sensitive for the audit report;

• concerns which cannot be substantiated through evidence and/or interviews;

• attitude of management towards the non-compliances or the audit process as a whole.

Supplementary reports may be appropriate:

• if workers appear to be under undue pressure from management on the day of audit;

• if workers appear to have been coached;

• if management was obstructive or reluctant to accept findings and the need for remediation;

• where the auditor has concerns about the possibility of double books or falsified records;

• where sensitive issues could not be discussed during the closing meeting because of a potential risk to workers' wellbeing.

Please refer to the Appendix 6, Reference Supplementary Audit Information for guidance on communicating this type of information to the audit requestor.

INTRODUCTION

RISK ASSESSMENT SYSTEM

AUDIT REQUEST

PREPARATION

AUDIT EXECUTION

AUDIT OUTPUTS

GLOSSARY

APPENDICES

1. GENERAL INFORMATION

1.0	**Employment site contact details:**	**Name:**
		Address:
		Country:
		Telephone:
		Fax/email:
		GPS cordinates:
		Is this site in an Export processing zone (EPZ)*? Yes ☐ No ☐
1.1	**Audit date(s):**	
1.2	**Report issue date:**	

| 1.3 | **Audit type:** | ☐ Initial
☐ Follow-up | ☐ Full audit
☐ Partial audit | ☐ Announced
☐ Semi-announced
☐ Unannounced |

| 1.4 | **Audit conducted by:** | ☐ Auditing company (please provide name below)

☐ Retailer
☐ Brand Owner
☐ Purchaser
☐ NGO
☐ Union
☐ Multiple parties. If yes, please list. |

1.5	**Audit personnel** *(please specify the names and titles of the auditors and worker interviewers who conducted the audit)*	**Name:** **Title:**	**Name:** **Title:**
		Name: **Title:**	**Name:** **Title:**
1.6	**Time in and time out:**	**In:**	**Out:**
1.7	**Previous audit details** (if any):	• **Audited conducted by:**	
		• **Standard against which the audit was conducted:**	
		• **Audit date:**	
		• **Audit type:**	

•••

* "Industrial zones with special incentives set up to attract foreign investors, in which imported materials undergo some degree of processing before being re-exported" (ILO, 2007)

•••

1.8	**Supplier name:**	
1.9	**Main employment site contact:**	**Name:**
		Position:
		Telephone:
1.10	**Is the employment site involved with any local Trade Unions or NGOs?** *If yes, provide nature of the involvement*	☐ Yes ☐ No
1.11	**Name and job title of employment site representative who signed the Summary of Findings and Corrective Actions**	**Name:** **Title:**
1.12	**Audits results reviewed by employment site management?**	☐ Yes ☐ No
1.13	**Audit report author:**	
1.14	**Audit report reviewer:**	
1.15	**General remarks:**	

INTRODUCTION

RISK ASSESSMENT SYSTEM

AUDIT REQUEST

PREPARATION

AUDIT EXECUTION

AUDIT OUTPUTS

GLOSSARY

APPENDICES

2. EMPLOYMENT SITE INFORMATION

2.1 Production Systems and Processes

2.1.1	**Industry sector:**	
2.1.2	**Principal products:**	
2.1.3	**Main export markets:**	
2.1.4	**Other major customers:**	
2.1.5	**Peak & low seasons:**	**Peak season:** **Low season:**
2.1.6	**Maximum capacity per month*:**	

2.1.7	**Typical production level as a percentage of total capacity (by month):**

Jan	Feb	Mar	Apr	May	June
July	Aug	Sept	Oct	Nov	Dec

2.1.8	**Main production processes** *(e.g. Stitching, labelling, injection, moulding, baking, harvesting, dyeing etc.):*	
2.1.9	**Main production equipment:**	
2.1.10	**Main raw materials used:**	
2.1.11	**List of hazardous chemicals used employment site:**	
2.1.12	**Shift times** **(broken down by section):**	
2.1.13	**Regular overtime hours:**	

* Auditor should check if an appropriate unit has been communicated (tonnes, number of pieces, containers...).

2.2 Audit Overview and History

2.2.1	**Applicable Code of conduct**	
2.2.2	**Did management display a positive attitude towards the applicable code of conduct?**	☐ Yes ☐ No
2.2.3	**Were management co-operative during the audit?**	☐ Yes ☐ No
2.2.4	**Were workers aware of the audit?** *If yes, what was their attitude to the audit?*	☐ Yes ☐ No
2.2.5	**Were workers' representatives involved during the audit?**	☐ Yes ☐ No
2.2.6	**Were workers' representatives present at opening and closing meetings?**	Opening meeting: ☐ Yes ☐ No Closing meeting: ☐ Yes ☐ No
2.2.7	**Were any inconsistencies found?** *(If yes, please describe the nature of the inconsistencies – e.g. poor record keeping, isolated incident, repeated occurrence, etc.*	☐ Yes ☐ No
2.2.8	**Was a perimeter survey undertaken?** *(If Yes, please detail the results)* *Result of Perimeter Survey:*	☐ Yes ☐ No
2.2.9	**Were any alert notifications issued as part of this audit?** *If yes, how many?*	☐ Yes ☐ No

INTRODUCTION

RISK ASSESSMENT SYSTEM

AUDIT REQUEST

PREPARATION

AUDIT EXECUTION

AUDIT OUTPUTS

GLOSSARY

APPENDICES

2.3 Management Information

EMPLOYMENT SITE MANAGEMENT		
2.3.1	**Nationality of management:**	
2.3.2	**Number of workers recruited in past year:**	
2.3.3	**Number of workers leaving in past year:**	
2.3.4	**Worker turnover in past year** *(no. leavers divided by the average total number of workers during the year)*	
2.3.5	**Were management open and helpful?**	☐ Yes ☐ No
2.3.6	**Were true records shown on first request?**	☐ Yes ☐ No
2.3.7	**Was documentation provided easily?**	☐ Yes ☐ No
2.3.8	**Were managers open to recommendations?**	☐ Yes ☐ No
2.3.9	**Do managers appear to have the capacity to implement changes?**	☐ Yes ☐ No

3. WORKFORCE

3.1 WORKFORCE SIZE			
	Male (#)	Female (#)	TOTAL (#)
3.1.1 Permanent workers:			
3.1.2 Temporary workers:			
3.1.3 Agency workers			
3.1.4 TOTAL WORKFORCE (sum of above)			
3.1.5 Piece rate workers:			
3.1.6 Salaried workers:			
3.1.7 Hourly paid workers:			
3.1.8 Homeworkers:			
3.1.9 Young workers:			
3.1.10 Part-time workers:			
3.1.11 Night workers:			
3.2 MIGRANT WORKFORCE			
3.2.1 Percentage of migrant* workers!			
3.2.2 Percentage of migrant* workers working at night:			
3.3 YOUNG WORKER DETAILS			
	Peak Season		Low Season
3.3.1 Age of youngest worker:	Male: Female:		Male: Female:

* The term 'migrant worker' refers to a person who is engaged in a remunerated activity, who has moved to a country, province or region of which he or she is not a native, where they are not eligible or does not intend to become permanent residents.

INTRODUCTION

RISK ASSESSMENT SYSTEM

AUDIT REQUEST

PREPARATION

AUDIT EXECUTION

AUDIT OUTPUTS

GLOSSARY

APPENDICES

3.4 OTHER INFORMATION

3.4.1	Main languages spoken by workers:		
3.4.2	Nationality of workers:		
3.4.3	Average length of employment:	Permanent workers *(please specify period):*	Temporary/ agency workers *(please specify period):*

3.5 WORKER INTERVIEWS AND WORKER NUMBERS

		Male (#)	Female (#)	TOTAL (#)
3.5.1	Individual interviews (# of workers):			
3.5.2	Group interviews (# of workers):			
3.5.3	TOTAL NUMBER OF WORKERS INTERVIEWED:			
3.5.4	Permanent workers interviewed:			
3.5.5	Temporary workers interviewed:			
3.5.6	Agency workers interviewed:			
3.5.7	Piece rate workers interviewed:			
3.5.8	Salaried workers interviewed:			
3.5.9	Hourly paid workers interviewed:			
3.5.10	Homeworkers interviewed:			
3.5.11	Young workers interviewed:			
3.5.12	Part-time workers interviewed:			
3.5.13	Night workers interviewed:			

4. SUMMARY OF GOOD PRACTICE, OBSERVATION & NON-COMPLIANCES

TOPIC AREA		NUMBER OF GOOD PRACTICES	NUMBER OF OBSERVA-TIONS	NUMBER OF NON-COMPLIANCES. Please indicate if zero				NON-COMPLIANCES OBSERVED. Please indicate if zero	
				Critical	Major	Minor		Code of conduct	Local Law
4.0	Management systems								
4.1	Forced, bonded, indentured & prison labour								
4.2	Child labour and young workers								
4.3	Freedom of association and right to collective bargaining								
4.4	Discrimination, harassment and abuse								
4.5	Health and safety								
4.6	Wages and benefits								
4.7	Working hours								
	OVERALL								

INTRODUCTION

RISK ASSESSMENT SYSTEM

AUDIT REQUEST

PREPARATION

AUDIT EXECUTION

AUDIT OUTPUTS

GLOSSARY

APPENDICES

Appendix 4: GSCP Reference Alert Notification ☐ Appendix 3: GSCP Reference Audit Checks ☐ Appendix 2: GSCP Reference Audit Checks ☐ Appendix 1: GSCP Reference Pre-Audit Employment Site Profile ☐ Appendix 5: GSCP Reference Self Assessment Questionnaire ☐ Appendix 5: **GSCP Reference Audit Report** ■

Appendix 7: GSCP Reference Summary of Findings and Corrective Actions ☐ Appendix 6: GSCP Reference Supplementary Audit Information ☐ **Appendix 5: GSCP Reference Audit Report** ■

APPENDIX 5: GSCP REFERENCE AUDIT REPORT ■

AUDIT PROCESS AND METHODOLOGY REFERENCE TOOLS - OCTOBER 2009

5. REPORTING TEMPLATE

The audit report should include a table as per the example below for each section of the applicable code of conduct against which the audit was conducted. The tables below refer to the GSCP Reference Code.

For follow-up audits, the report issued should be an updated version of the original report, with all new issues and updates to previous issues clearly highlighted. An example of how to include follow-up information in the audit report template is shown below.

DESCRIPTION	EVIDENCE
(Subject area [underlined], description of the finding, details of the management position, any management involvement and element of the law/code that has been violated)	(A description of the evidence observed and related to the audit check guidelines. Please indicate the type of evidence listed e.g. worker interview, documentary, observational)
e.g. Policies and Procedures Management had established a policy on the implementation of fair labour standards, but no responsibility had been assigned and workers / management were not aware of the policy. **Follow up 01/06/09 –** Management has allocated responsibility for the implementation of the policy. This policy was communicated to all workers on 01/04/09 in the employment site's monthly meeting.	**Documentary** 0.1Policies seen were not signed by any manager. **Management Interview** 0.3 Managers reported that no individual had been given responsibility. **Follow-up 01/06/09 –** **Documentary** Job description of Mr. Smith details responsibilities around fair labour standards **Management and worker interviews** Management and worker interviews confirmed communication at the meeting on 01/04/09.
Follow up 01/06/09 – New Issue **Policies and Procedures** The employment site has not communicated revised compliance requirements to subcontractors	**Follow up 01/06/09 – New issue** **Management Interviews** Management say that they are meeting with all subcontractors individually over the course of the next 3 months to detail changes to production methods and to re-iterate compliance requirements.

Definitions:

A **non-compliance** is a specific breach of the standard or code against which the employment site was audited.

Non-compliances may be Critical, Major or Minor

A **minor non-compliance** is:

• an occasional or isolated problem;

• an issue which presents a low risk to workers/ those on-site;

• a policy issue or misunderstanding where there is no evidence of a material breach.

A **major non-compliance** is:

• a breach which represents a danger to workers/ those on-site;

• a material breach of a code requirement/ law;

• a systematic violation of a code requirement/ law.

A **critical non-compliance** is:

• an issue which presents imminent risk to workers' safety/risk to life and limb or constitutes a significant breach of workers' human rights, and/or;

• a major non-compliance that has not been addressed or for which no significant improvement has been made by the time of a follow up audit, in spite of supplier commitment to resolve the issue;

• an attempt to pervert the course of the audit through fraud, coercion, deception or interference.

An **observation** is:

• the identification of an opportunity for improvement;

• a possible issue which may develop into a non-compliance without further action;

• an issue which the auditor has some evidence to indicate may be present, but is not confirmed by more than one data point.

A **good practice example** is:

• an issue that the auditor feels is over and above the standard against which the employment site was audited.

The auditor must be able to justify his/her classification with detailed evidence.

INTRODUCTION

RISK ASSESSMENT SYSTEM

AUDIT REQUEST

PREPARATION

AUDIT EXECUTION

AUDIT OUTPUTS

GLOSSARY

APPENDICES

MANAGEMENT PRACTICES

Report

Good Practice	Obser-vation	Non-compliance Type			Description (Subject area [underlined], description of the finding, details of the management position, any management involvement and element of the law/code that has been violated)	Evidence (A description of the evidence observed and related to the audit check guidelines. Please indicate the type of evidence listed e.g. worker interview, documentary, observational)	Non-compliance violation	
		Critical	Major	Minor			Code of conduct	Local Law
□	□	□	□	☑	**e.g. Policies and Procedures** *Management had established a policy on the implementation of fair labour standards, but no responsibility had been assigned and workers / management were not aware of the policy.*	***Documentary*** *0.1 Policies seen were not signed by any manager.* ***Management Interview*** *0.3 Managers reported that no individual had been given responsibility.*	☑	□
□	□	□	□	□			□	□
□	□	□	□	□			□	□

INTRODUCTION

RISK ASSESSMENT SYSTEM

AUDIT REQUEST

PREPARATION

AUDIT EXECUTION

AUDIT OUTPUTS

GLOSSARY

APPENDICES

FORCED, BONDED, INDENTURED AND PRISON LABOUR

Good Practice	Observation	Non-compliance Type — Critical	Non-compliance Type — Major	Non-compliance Type — Minor	Report — Description (Subject area [underlined], description of the finding, details of the management position, any management involvement and element of the law/code that has been violated)	Evidence (A description of the evidence observed and related to the audit check guidelines. Please indicate the type of evidence listed e.g. worker interview, documentary, observational)	Non-compliance violation — Code of conduct	Non-compliance violation — Local Law
☐	☐	☑	☐	☐	**e.g. Bonded Labour** *Original copies of worker passports are held by management. This is not a legal requirement in this country.* *Violation of GSCP Reference Code 1.3*	**Documentary** *1.2 Personnel files held original copies of passports.* **Worker Interview** *1.3 Worker interviews confirmed that they cannot leave their jobs because they don't can't retrieve passports*	☑	☐
☐	☐	☐	☐	☐			☐	☐
☐	☐	☐	☐	☐			☐	☐

Appendix 4: GSCP Reference Alert Notification ☐ Appendix 3: GSCP Reference Audit Checks ☐ Appendix 2: GSCP Reference Pre-Audit Employment Site Profile ☐ Appendix 1: GSCP Reference Self Assessment Questionnaire ☐ **Appendix 5: GSCP Reference Audit Report** ■

Appendix 7: GSCP Reference Summary of Findings and Corrective Actions ☐ Appendix 6: GSCP Reference Supplementary Audit Information ☐ **Appendix 5: GSCP Reference Audit Report** ■

CHILD LABOUR AND YOUNG WORKERS

Report

Good Practice	Observation	Non-compliance Type			Description (Subject area [underlined], description of the finding, details of the management position, any management involvement and element of the law/code that has been violated)	Evidence (A description of the evidence observed and related to the audit check guidelines. Please indicate the type of evidence listed e.g. worker interview, documentary, observational)	Non-compliance violation	
		Critical	Major	Minor			Code of conduct	Local Law
☐	☐	☑	☐	☐	*e.g. Young Workers* *Young Workers were found to be working both overtime and at night in some sections of the factory. Young workers interviewed said that there were no restrictions on their working hours, despite management claims that overtime and night work was restricted to workers over the age of 18.* *Violation of GSCP Reference Code 2.3*	*Worker Interview* *2.2 Worker interviews confirmed young worker work night-shifts and overtime.*	☑	☐
☐	☐	☐	☐	☐			☐	☐
☐	☐	☐	☐	☐			☐	☐

■ APPENDIX 5: GSCP REFERENCE AUDIT REPORT

AUDIT PROCESS AND METHODOLOGY REFERENCE TOOLS - OCTOBER 2009

FREEDOM OF ASSOCIATION AND EFFECTIVE RECOGNITION OF THE RIGHT TO COLLECTIVE BARGAINING

Report

Good Practice	Obser-vation	Non-compliance Type			Description (Subject area [underlined], description of the finding, details of the management position, any management involvement and element of the law/code that has been violated)	Evidence (A description of the evidence observed and related to the audit check guidelines. Please indicate the type of evidence listed e.g. worker interview, documentary, observational)	Non-compliance violation	
		Critical	Major	Minor			Code of conduct	Local Law
☐	☐	☐	☑	☐	**e.g. Collective Bargaining** Workers report instances where elements of collective bargaining agreements have not been upheld – in particular the payment of a premium for weekday overtime work. Management claim that this is due to a misunderstanding during negotiations and that this was never part of the agreement. Violation of GSCP Reference Code 3.1	**Documentary** 3.1.2 Documents show reference to "appropriate overtime premiums" but do not specify an amount. **Worker Interview** 3.2 Workers report that they thought the agreement reached was that overtime would be paid at twice the hourly rate.	☑	☐
☐	☑	☐	☐	☐	**Freedom of Association** Worker representatives report that sometimes supervisors comment on their absence when they have been performing their representative duties	**Worker Interview** 3.2.1, 3.2 – Workers confirm that managers sometimes make comments, but have never tried to prevent a representative from attending any meetings.	☑	☐
☑	☐	☐	☐	☐	**Freedom of Association** Worker representatives are given 10 minutes at the end of every monthly production meeting to discuss union matters with union members. Non-union members are not obliged to attend but can if they wish to.	**Worker Interviews** 3.2 – Workers confirm that this is the case Management Interviews 3.3 – Management say that they implemented this initiative because it helped improve relations with the Trade Union.	☐	☐
☐	☐	☐	☐	☐			☐	☐
☐	☐	☐	☐	☐			☐	☐

APPENDIX 5: GSCP REFERENCE AUDIT REPORT ■

AUDIT PROCESS AND METHODOLOGY REFERENCE TOOLS - OCTOBER 2009

DISCRIMINATION, HARASSMENT AND ABUSE

Report

Good Practice	Obser-vation	Non-compliance Type			Description (Subject area [underlined], description of the finding, details of the management position, any management involvement and element of the law/code that has been violated)	Evidence (A description of the evidence observed and related to the audit check guidelines. Please indicate the type of evidence listed e.g. worker interview, documentary, observational)	Non-compliance violation	
		Critical	Major	Minor			Code of conduct	Local Law
☐	☐	☐	☒	☐	*e.g. Discrimination* *Some workers reported that workers of other nationalities are given preferential treatment when jobs are allocated at the beginning of the day.* *Violation of GSCP Reference Code 4.2*	*Documentary* *4.1.2 Attendance records show that workers of certain nationalities are more likely to work in certain areas.* *Worker Interview* *4.2 Workers gave specific examples of preferential treatment to workers of a particular nationality.* *Management Interview* *4.3 Management were unable to explain the reason for the allocation of jobs to certain nationalities*	☒	☐
☐	☐	☐	☐	☐			☐	☐

17_GLOBAL SOCIAL COMPLIANCE PROGRAMME

HEALTH AND SAFETY

Report

Good Practice	Obser-vation	Non-compliance Type			Description (Subject area [underlined], description of the finding, details of the management position, any management involvement and element of the law/code that has been violated)	Evidence (A description of the evidence observed and related to the audit check guidelines. Please indicate the type of evidence listed e.g. worker interview, documentary, observational)	Non-compliance violation	
		Critical	Major	Minor			Code of conduct	Local Law
☐	☐	☑	☐	☐	*e.g. Accommodation* Workers' accommodation has only one emergency exit. All accommodation requires at least 2 emergency exits. Management reported that they were unaware of this regulation and will make plans to add a second exit. *Violation of GSCP Reference Code 5.5*	*Observational* 5.4.1 Auditor observed that there was only one emergency exit from accommodation areas.	☑	☐
☐	☐	☐	☐	☐			☐	☐
☐	☐	☐	☐	☐			☐	☐

INTRODUCTION
RISK ASSESSMENT SYSTEM
AUDIT REQUEST
PREPARATION
AUDIT EXECUTION
AUDIT OUTPUTS
GLOSSARY
APPENDICES

PRELIMINARY INFORMATION TO TOPICS 5.6 (Wages & Benefits) and 5.7 (Working Hours):

WORKING HOURS AND WAGES SUMMARY TABLE

Is there a legally applicable minimum wage? □ Yes □ No

If yes, are there different legal minimum wage grades? □ Yes □ No

Please indicate the legally applicable minimum wage. Where applicable, please provide the details for all of the different grades.

Where there are legally applicable minimum wage grades in operation, are all workers graded correctly? □ Yes □ No

WAGES AND HOURS DATA	Process Operator (Highest paid)	Process Operator (Average paid)	Process Operator (Lowest paid)
Pay Period (month/week)			
Employee Identification / Staff ID# / Dept			
Contract Hours (Monthly/Daily)			
Regular Working Hours			
Pay Rate for standard time			
Regular Day OT (Hours)			
Regular Day OT (Pay)			
Rest Day OT (Hours)			
Rest Day OT (Pay)			
Statutory Holiday OT (Hours)			
Statutory Holiday OT (Pay)			
TOTAL OT HOURS IN PAY PERIOD			
Incentives / Bonus / Allowances, etc.			
Gross Wages			
Social Insurance and Other Deductions			
Actual Wage Paid after Deduction			

INTRODUCTION

RISK ASSESSMENT SYSTEM

AUDIT REQUEST

PREPARATION

AUDIT EXECUTION

AUDIT OUTPUTS

GLOSSARY

APPENDICES

□ Appendix 1: GSCP Reference Self Assessment Questionnaire   □ Appendix 2: GSCP Reference Pre-Audit Employment Site Profile   □ Appendix 3: GSCP Reference Audit Checks   □ Appendix 4: GSCP Reference Alert Notification
■ Appendix 5: GSCP Reference Audit Report   □ Appendix 6: GSCP Reference Supplementary Audit Information   □ Appendix 7: GSCP Reference Summary of Findings and Corrective Actions

WAGES, BENEFITS AND TERMS OF EMPLOYMENT

Report

Good Practice	Obser-vation	Non-compliance Type			Description (Subject area [underlined], description of the finding, details of the management position, any management involvement and element of the law/code that has been violated)	Evidence (A description of the evidence observed and related to the audit check guidelines. Please indicate the type of evidence listed e.g. worker interview, documentary, observational)	Non-compliance violation	
		Critical	Major	Minor			Code of conduct	Local Law
☐	☐	☐	☑	☐	**e.g. Terms of employment** *Workers were not in possession of a copy of their contract of employment. Management reported that copies were available on request, however workers were unaware of this. Violation of GSCP Reference Code 6.1*	***Documentary*** *6.1.5 There is no procedure in place that sets out when to give workers a signed copy of their contract.* ***Worker Interview*** *6.2 Workers report that they have not been given copies of their contract of employment.*	☑	☐
☐	☐	☐	☐	☐			☐	☐
☐	☐	☐	☐	☐			☐	☐

WORKING HOURS

Report

Good Practice	Obser-vation	Non-compliance Type			Description (Subject area [underlined], description of the finding, details of the management position, any management involvement and element of the law/code that has been violated)	Evidence (A description of the evidence observed and related to the audit check guidelines. Please indicate the type of evidence listed e.g. worker interview, documentary, observational)	Non-compliance violation	
		Critical	Major	Minor			Code of conduct	Local Law
☐	☐	☐	☑	☐	*e.g. Excessive Hours* *Workers were found to be working more than 60 hours per week in some areas of the employment site. Management said that this was due to the time of year, however records show that this has been happening consistently over the past 4 months.* *Violation of GSCP Reference Code 7.2 and 7.*	*Documentary* *7.1.1 Working hours records show work over 60 hours per week* *Worker Interview* *7.2 Workers reported working over 60 hours per week*	☑	☐
☐	☐	☐	☐	☐			☐	☐
☐	☐	☐	☐	☐			☐	☐

6. ON-SITE PICTURES

Auditors should include any relevant photos that were taken as part of the audit in this section of the audit report. Relevant photos may include general pictures of the employment site – such as pictures of the employment site or pictures of the production floor, or they may be specific to the details of the audit report – such as a picture of a non-compliance, observation or best practice.

The suggested photos below are examples, and the auditor should include **all** relevant photos.

Photo	*Photo*	*Photo*
Outside view of employment site buildings	**Employment site entrance**	**Processes**

Photo	*Photo*	*Photo*
Sanitary Facilities	**Drinking water**	**First aid box**

Photo	*Photo*	*Photo*
Non-compliance 1	**Observation 1**	**Best Practice 1**

Photo	*Photo*	*Photo*

Photo	*Photo*	*Photo*

END OF TEMPLATE

INTRODUCTION

RISK ASSESSMENT SYSTEM

AUDIT REQUEST

PREPARATION

AUDIT EXECUTION

AUDIT OUTPUTS

GLOSSARY

APPENDICES

Appendix 1: GSCP Reference Self Assessment Questionnaire ☐   Appendix 5: GSCP Reference Audit Report ☐

Appendix 2: GSCP Reference Pre-Audit Employment Site Profile ☐   Appendix 6: GSCP Reference Supplementary Audit Information ■

Appendix 3: GSCP Reference Audit Checks ☐   Appendix 7: GSCP Reference Summary of Findings and Corrective Actions ☐

Appendix 4: GSCP Reference Alert Notification ☐

APPENDIX 6

GSCP Reference Supplementary Audit Information

This tool is part of the broader set of Reference tools designed to provide a common interpretation of fair labour requirements and their implementation. They will enable buying companies around the world to work towards mutual recognition of audit results.

The GSCP Reference tools are based on the GSCP Reference Code but can be adopted and tailored to other codes of conduct.

Note: The GSCP Reference Code gathers, in a single framework, the main international standards for fair labour conditions and fundamental labour rights. The GSCP Reference Code is not a substitute for existing codes or existing systems but brings together the standards and best practices that could be applied.

SUPPLEMENTARY REPORT

Auditors may feel the need to produce a separate, supplementary report for the audit requestor containing:

- information too sensitive for the audit report;

- concerns which cannot be substantiated through evidence and/or interviews;

- attitude of management towards the non-compliances or the audit process as a whole.

Supplementary reports may be appropriate:

- if workers appear to be under undue pressure from management on the day of audit;

- if workers appear to have been coached;

- if management was obstructive or reluctant to accept findings and the need for remediation;

- where the auditor has concerns about the possibility of double books or falsified records;

- where sensitive issues could not be discussed during the closing meeting because of a potential risk to workers' wellbeing.

This type of report may not be appropriate where the audit requestor is the employment site itself.

Reference supplementary audit information

AREA OF CONCERN (Description of the issue, who was involved or effected, and when this occurred)	EVIDENCE / OBSERVATIONS (a description of the evidence observed)	RELATED LABOUR STANDARD(S)

END OF TEMPLATE

INTRODUCTION

RISK ASSESSMENT SYSTEM

AUDIT REQUEST

PREPARATION

AUDIT EXEECUTION

AUDIT OUTPUTS

GLOSSARY

APPENDICES

INTRODUCTION

RISK ASSESSMENT SYSTEM

AUDIT REQUEST

PREPARATION

AUDIT EXECUTION

AUDIT OUTPUTS

GLOSSARY

APPENDICES

Appendix 4: GSCP Reference Alert Notification ☐ Appendix 3: GSCP Reference Audit Checks ☐ Appendix 2: GSCP Reference Pre-Audit Employment Site Profile ☐ Appendix 1: GSCP Reference Self Assessment Questionnaire ☐ Appendix 5: GSCP Reference Audit Report ☐

Appendix 7: GSCP Reference Summary of Findings and Corrective Actions ■ Appendix 6: GSCP Reference Supplementary Audit Information ☐

APPENDIX 7

GSCP Reference Summary of Findings and Corrective Actions

This tool part of the broader set of Reference tools designed to provide a common interpretation of fair labour requirements and their implementation. They will enable buying companies around the world to work towards mutual recognition of audit results.

The GSCP Reference tools are based on the GSCP Reference Code but can be adopted and tailored to other codes of conduct.

Note: The GSCP Reference Code gathers, in a single framework, the main international standards for fair labour conditions and fundamental labour rights. The GSCP Reference Code is not a substitute for existing codes or existing systems but brings together the standards and best practices that could be applied.

The Reference Summary of Findings and Corrective Actions has been designed to provide a structure to the audit team's findings and help the audit team develop a corrective action plan and structure a closing meeting.

The Summary of Findings and Corrective Actions template includes:

- audit findings: Summary of non compliances, good practice, and evidence found;

- classification of non compliances;

- reference to the applicable code of conduct and/or law which has been contravened;

- recommended corrective actions: Auditors suggestion on how the audit findings can be resolved;

- person/party responsible for corrective action;

- verification method:

    / a desk-based follow up may be used to verify corrective actions for minor non-compliances but provide less assurance than a follow-up audit. Desk-based verification should check corrective actions through photos, copies of certificates, invoices, etc. submitted by the employment site. Desk-based follow-up cannot be used where actions need to be verified through worker testimony;

    / follow-up audits are recommended for critical or major non-compliances or when corrective actions can be evaluated only through interviews and extensive documentation reviews [see Section 5.4.1];

- timescale for completion: the amount of time required for the issue to be closed. The time allocated for corrective actions to be completed should be appropriate, realistic and timely.

The Summary of Findings and Corrective Actions should:

- be clearly described and written in both English and the language spoken by the employment site management;

- be distributed as follows:

    / a signed copy for the employment site manager;

    / a signed copy retained by the auditor together with other audit documentation;

    / a hard or soft copy to the audit requestor.

NB: where employment site representatives are unwilling to sign an English language copy of the Summary of Findings and Corrective Actions, the auditor should still sign their English language copy and should indicate that they have witnessed the representative's signature on the copy signed by management.

REFERENCE SUMMARY OF FINDINGS AND CORRECTIVE ACTIONS

1. Employment site and auditor details

Employment site name:

Client:

Employment site address:

Auditor name and organisation:

Employment site representative (name and position):

Audit Date:

Time In:

Time Out:

INTRODUCTION

RISK ASSESSMENT SYSTEM

AUDIT REQUEST

PREPARATION

AUDIT EXECUTION

AUDIT OUTPUTS

GLOSSARY

APPENDICES

INTRODUCTION

RISK ASSESSMENT SYSTEM

AUDIT REQUEST

PREPARATION

AUDIT EXECUTION

AUDIT OUTPUTS

GLOSSARY

APPENDICES

2. Details of non-compliances and corrective actions

The audit findings are based upon on-site observation, interviews with employees, questionnaire data, and examination of company records:

Audit findings (non compliance, observation)	Classification of non-compliances	Reference to applicable code	Recommended corrective Actions	Person / party responsible	Verification method	Timescale for completion

3. Details of good practices and observations

Audit findings (good practices and observations)	Reference to applicable code	Recommended corrective Actions (where applicable)	Person / party responsible (where required)	Verification method (where required)	Timescale for completion (where required)

INTRODUCTION

RISK ASSESSMENT SYSTEM

AUDIT REQUEST

PREPARATION

AUDIT EXECUTION

AUDIT OUTPUTS

GLOSSARY

APPENDICES

4. Employment site comments or dispute of findings

Where an agreement cannot be reached between employment site management and auditors regarding findings and/or corrective actions, employment sites can outline the disagreements in the box below:

Comments	Employment site representative signature	Date

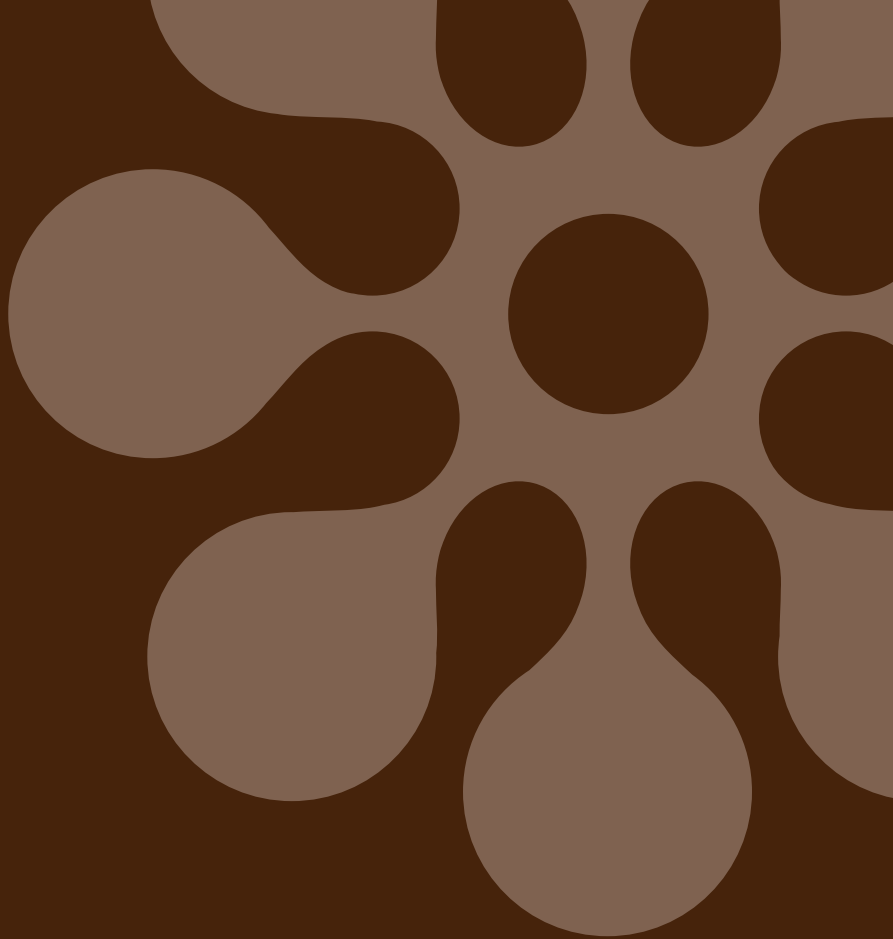# 5. Acceptance of findings and corrective actions

A closing meeting has been undertaken and the above findings and corrective actions were discussed and agreed:

Signature – auditor	Date	Employment site representative name And position	Signature - employment site representative	Date

Does the employment site Representative above have the authority to complete all actions listed? ☐ Yes ☐ No

If No, who would have the necessary authority to take decisions on these points?
(Please provide names, positions and contact details of additional managers):

END OF TEMPLATE

INTRODUCTION

RISK ASSESSMENT SYSTEM

AUDIT REQUEST

PREPARATION

AUDIT EXECUTION

AUDIT OUTPUTS

GLOSSARY

APPENDICES