

SMETA Audit Preparation

Scope of Audit

Dear Sir/Madam,

SMETA audit is based on Ethical Trading Initiative (ETI) Base Code, local laws and regulations, including, but not limited to the following:

Clause Number	Clause Title
0	Management systems and code implementation
1	Employment Freely Chosen
2	Freedom of Association
3	Safety and Hygienic Conditions
4	Child Labour
5	Wages and Benefits
6	Working Hours
7	Discrimination
8	Regular Employment
8A	Sub-Contracting and Homeworking
9	Harsh or Inhumane Treatment
10A	Entitlement to Work
10B4	Environment (4-pillar)
10C	Business Practices

The audit will consist of an on-site factory tour (warehouse, production area, dormitory area, toilets, canteen & kitchen), document review and worker interviews.

Please make sure all production processes are running and related managers/supervisors are available during audit day. You need to provide the related evidence or document to auditor when conducting audit. See Document List for further details.

As part of the audit the auditor will take photographs during the production process and photograph any non-compliances that are found during the factory tour.



Fire Hose Testing



Non-compliance: No secondary containment for chemicals



Non-compliance: Inward opening door + no emergency light

Typical audit structure:

Procedure, Department or Function	Key contact(s)
Opening meeting: - Validate information provided before audit - Introduce the activities of the day - Get an introduction of factory	All factory Management
Factory tour: - Assess working environment - Health & Safety Tour	H&S Manager Production Manager
Lunch:	
Document Review and Management Interview - Get objective evidence of compliance and non-conformity	HR/Admin Manager H&S Manager Production Manager
Workers Interviews - Individually and in focus groups - Confidential and without presence of management	Workers Auditor
Preparation for closing meeting - Prepare the Corrective Action Plan (CAP) - Review potentially forgotten documents	Auditor alone
Closing meeting - Present findings of the audit (compliance/Non-compliance) - Signing CAP/CAR with factory	Factory Management Auditor

The length of the audit is dependent on the number of workers in the factory and the number of auditors.

Document list for review:

Please prepare in advance of the audit

	Document
1	Factory profile/Employee No.& structure/Production Capability/ (Brands)Marketing
2	Organization chart
3	Factory floor plans
4	Business license
5	Employee manual/handbook, Factory rules & regulations/ Disciplinary practices policy and Records
6	Dormitory regulations
7	Recruitment policies & procedures
8	Employees' personal files/ Employment registration/roster (all employees)
9	Labour contracts- all employees (Permanent, Temporary, Migrant, Agency)
10	Young worker health examination & health examination records, (if applicable)
11	List of young workers/ registration approval from local labour bureau/regulations on shift arrangement for young workers
12	Leave/ Holiday records
13	Resignation records
14	Awards & Penalty Records/Warning notification letters
15	Meeting minutes of Union/Selection program and Responsibility of workers' Rep./Complaint& handling Record

16	Timecards/attendant records (12 months)
17	Leave records (Paid annual leave/Maternity leave/Marriage & Funeral leave)
18	Consolidated working hours permit by local labour bureau/Extended Overtime Hours Waiver, if applicable
19	Legal/ Local official minimum wage Document
20	Payroll records with employees' signatures (12 months)
21	Production records of piece rate workers/Piece rate records
22	Wage deduction records
23	Social security insurance (injury / retirement / medical / unemployment etc.) payment receipts/ invoice/Approval from local government/Registration certificate/personnel list
24	Health & safety policy/ Regulations and rules
25	Certificate of Inspection for Completed Building Construction/ Registration Records
26	Fire-Fighting Acceptance Inspection Certificate/ Report
27	Safety officer Certificate
28	Security guard regulation & job description/security guard certificate
29	Fire drill program & records and fire evacuation plan & procedure (including pictures)
30	Sanitation Permit for Kitchen/ Health Certificate of kitchen employee
31	Trained first aider certificate(s)
32	Qualified certificate of doctor or nurse (if applicable)
33	Accident, injury reports & records/Precaution Measures on Reoccurrence
34	Register of elevator & lift and annual inspection Certificate
35	Register of pressure vessels & boilers and annual inspection certificate
36	Specialized safety training certificate (Valid safety operation certificate of Lift / Forklift vehicle/Qualified Electrician/ Electric welding operator certificate/Operator certificate of boiler)
37	List of chemical / Approval certificate of chemical warehouse/register & storage record
38	Chemical Safety Precaution Measures/MSDS (material safety data sheet) of dangerous chemicals
39	Dangerous chemical waste handling contract/transport records
40	Qualified certificate for the keeper of dangerous chemicals warehouse
41	The hazardous elements (air quality and noise etc.) evaluation report for Workplace
42	Employees' occupational health examination reports/certificates
43	Meeting minutes of union/Selection program and Responsibility of workers' Rep./ Collective Bargaining Agreements (CBA)
44	Documents proved workers' legal right to work including immigrant & migrants & employment agency staff, if applicable
45	Social accountability policy/ Management system/ periodic internal audit records
46	Subcontractors list/ monitoring records on sub-contractors' social responsibilities performance
47	Homeworkers' name list/ monitoring records on homeworkers proved to be compliant with social responsibilities, if applicable
48	Environment evaluation report
49	Emergency action procedures
50	Environmental System Policy/ Procedure
51	Business Integrity Policy/Procedure
52	Business Integrity Training Records/Investigation Reports
53	Agreement on Business Integrity with Suppliers