

Workplace Conditions Assessment Report

Measured Results —Improved Performance



ESSATEX INDUSTRIES

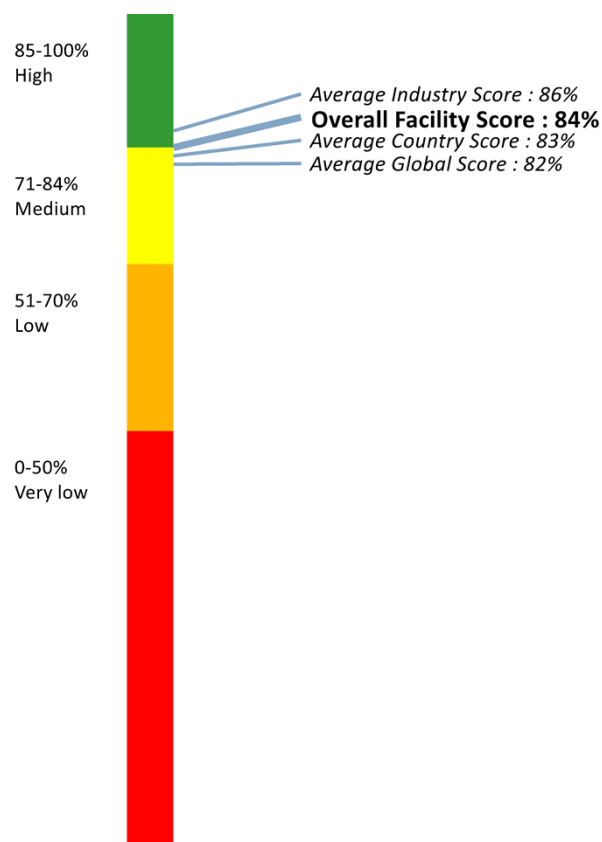
GENERAL INFORMATION

Overall Facility Score: **84%**

Reg No:	F_IAR_199655	Country:	Pakistan
Audit Date:	03-Jun-2024	Assessment Stage:	Initial
Last Audit:	NA	Schedule Type:	Semi-Announced
Mandays:	1	Audit Firm:	Intertek

WORKPLACE PERFORMANCE INDEX AND SUMMARY

Participating facilities: 17724



Assessment area	Score results	Number of non-compliances by rating				
		Zero Tolerance	Major	Moderate	Minor	No Score
Overall	84%	-	-	7	3	1
Labor	81%	-	-	2	-	-
Wages & Hours	100%	-	-	-	-	-
Health & Safety	74%	-	-	5	1	1
Management Systems	93%	-	-	-	2	-
Environment	100%	-	-	-	-	-

The Performance Index Bar is used to measure and benchmark the facility's score against the other population of audit results in the database using a common scoring algorithm

A. FACILITY PROFILE

A1. FACILITY INFORMATION

Facility Name:	Essatex Industries	Facility Legal Status:	Private
Facility Legal Name:	Essatex Industries	Year facility began operations:	2000
Audit Location:	C-13, SITE	Located in special economic zone:	No
City:	Karachi	Person responsible for overall social compliance issues:	Mr. Ghulam Yaseen, Compliance Officer
Country:	Pakistan	Valid certificate for social compliance certification program:	None
Contact Name:	Mr. Ghulam Yaseen	Vendor Name:	N/A
Contact Title:	Compliance Officer		
Industry:	Textiles		
Service Providers:	Not Applicable		
Security systems in place:	Security guards are present on site 24/7. The facility has proper fencing on the site.		
Building Description:	Essatex Industries is a manufacturer & exporter of home textile and knitted garments established in 2000 and located at C-13, S.I.T.E., Karachi having covered area of 213,561.11 and plot area of 80586 sq. ft. There are 01 building blocks. Building Block 1 Ground Floor: Security Office, Boiler, Dyeing, Printing, Time Offices, Workshop First Floor: Home Textile - Cutting, Sewing, Finishing, Packing, Warehouse Second Floor: Garments - Cutting, Sewing, Finishing, Warehouse		
Special building type:	No special building type		

A2. PRODUCTION INFORMATION

Products manufactured / Services provided:	Home Textiles & Knitted Garments	Time record system(s) used:	Others: Biometric Attendance System
Production process/ Service elements:	Home textile – Grey fabric Receiving – Bleaching – Dyeing – Printing – Finishing – Cutting – Sewing – Cropping – Pressing – Finishing – Packing Knitted Garments – Cutting – Sewing – Cropping – Pressing – Finishing - Dispatch	Chemicals or hazardous materials on-site:	Yes Dyeing & Bleaching Chemicals and dyes, Printing Pigments, Auxillaries, Lubricants
		Current production/Services for client:	Sheet sets
Production capacity a week:	21000 sheet sets, 1300 15600 pcs		
Total number of machines:	190		
Main machine types:	Single & Double Needle, Kansai, Safety, Stenter, Printing, Calender, Edge Machine, Singing		
Shifts and Operating	3 shifts		

hours:

All the management and workers work in 1 general shift from 0900 to 1800 hours.
Dyeing and security works in 3 shifts from 0700 to 1500 hours, 1500 to 2300 hours, and 2300 to 0700 hours.

A3. EMPLOYEE INFORMATION

Employee nationalities/provinces :	100% = Pakistani. All employees are local natives.	Languages spoken in the facility :	Urdu, English
Union/Worker committee :	The facility has constituted a Joint Wokrer Council as a parallel means of worker representation.	Management and employees speak same language :	Yes
Hires through employment agent :	Yes		
Recruitment and hiring process :	All employees were hired by the facility. The facility conducts employee interviews based on the qualifications, experience, and hiring criteria for the job. After a successful job application and interview process facility hires employees and issues a contract letter based on the agreed terms and conditions of the employment. No fee of employment is charged to any employee.		

Range	Female	Male	Homeworkers	Juveniles
101-300	5	96	0	0

	Permanent	Temporary	Agency	Total
Local	101	0	0	101
Migrant	0	0	0	0
Foreign	0	0	0	0
Total	101	0	0	101

A4. SUBCONTRACTOR INFORMATION

No subcontractor information given

A5. GENERAL INFORMATION

Attitude of management and employees was cooperative and friendly. All employees were observed confident during interviews. No suspicious activities and no signs of transshipment were found during the audit activity. During interviews, confidentiality was assured to employees regarding their interview comments and employees were open and spoke freely about their views about the facility management system. All employees were satisfied with their employment. The facility was paying the wages as required by law and all employees were found aware with local minimum wage. They were provided the chance to participate in the all training session held in the facility. Employee were aware about their rights to leave facility at any time in case any urgency and also can terminate the contact with facility with month notice period by the either party. They were in goods relationship with production floor supervisors and in-charges who were cooperative and respectful with them. All personnel and guests are required to wear face mask at all time while in the facility premises.

A6. AUDIT PROCESS

Auditor Information

Auditors APSCA ID : **Primary: Kashir Ali**
ID#: 32200127

Auditors APSCA ID : **Secondary: NA**
ID#: NA

Audit pay period provided for review

Records	From	To
12	01-May-2023	30-Apr-2024
12	01-May-2023	30-Apr-2024

Employee interview sampling

Individual	10
Group	0
Total interviewed	10

Special Comments:

Payroll and attendance records sampling

Period	From	To	Peak Season	Records Reviewed
Current Period	01-Apr-2024	30-Apr-2024	No	10
Period 2	01-Nov-2023	30-Nov-2023	Yes	3
Period 3	01-May-2023	31-May-2023	No	3

Total	16
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Other records reviewed

Personnel records

Employment contracts

Social insurance documentation

Health examination records

Security log book

Production records

Legal Permits

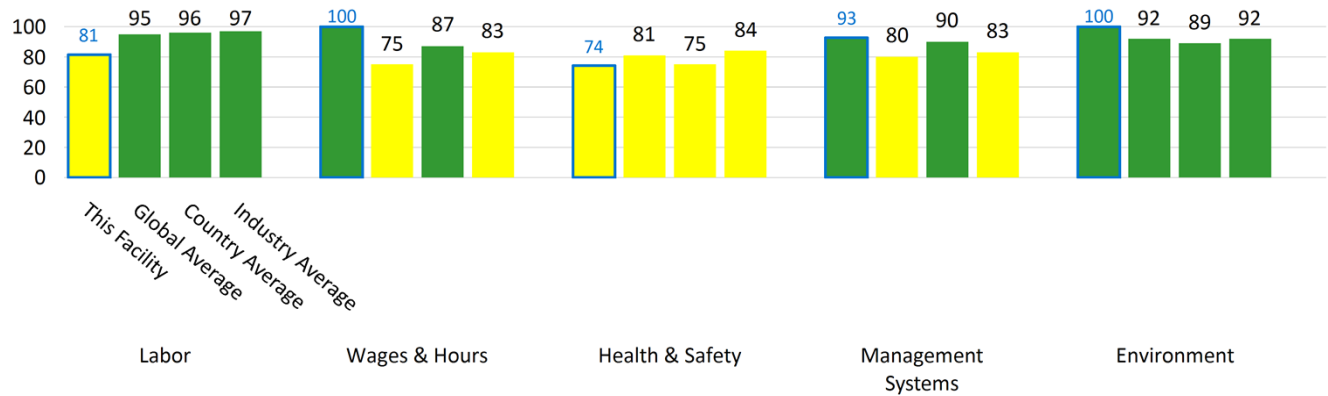
Employee leave register

Machine maintenance records

B. KEY PERFORMANCE METRICS

B1. COMPARISON BENCHMARK

Current performance — Global average, Pakistan average, Textiles average



The Comparison Benchmark shows at a glance how this facility is performing in each category in comparison to all other facilities in the database globally, by country and/or industry using the same scoring algorithm.

B2. PERFORMANCE TREND ANALYSIS

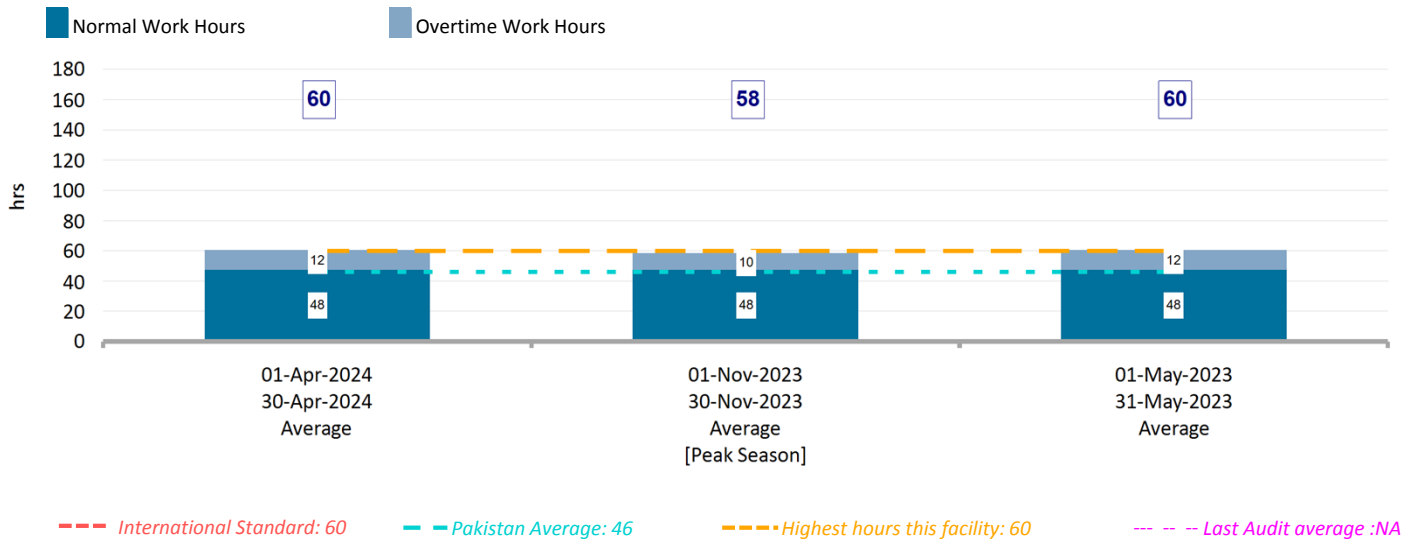
Section Name	Current (03-Jun-2024)	Last (NA)	First (NA)	Change (Current-Last)	Change (Current-First)
Labor	81	NA	NA	NA	NA
Wages & Hours	100	NA	NA	NA	NA
Health & Safety	74	NA	NA	NA	NA
Management Systems	93	NA	NA	NA	NA
Environment	100	NA	NA	NA	NA
Overall Score	84	NA	NA	NA	NA

▲ Advancers ■ Constant ▼ Decliner

Showcase of the percentage of improvement (or decline) in performance over time for this facility. The current audit result is compared against the last audit completed at this same facility which is subsequently compared to the very first audit done at the facility.

B3. WORKING HOURS AND WAGES

Average total hours worked Weekly



Average wages paid in local currency (PKR)



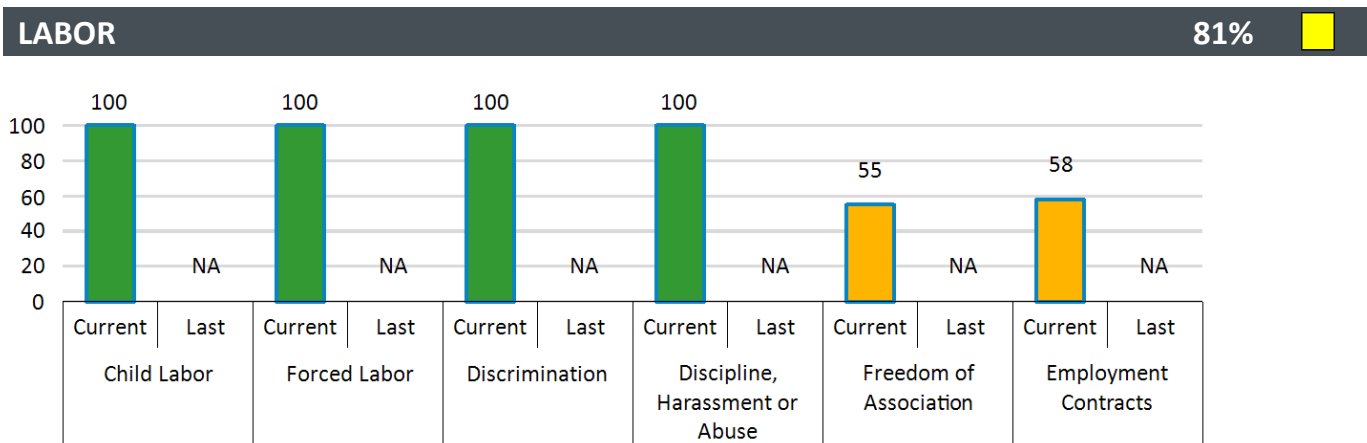
Provincial and country averages are based on average wages paid since past two years.

Special wage circumstances: NA

C. PERFORMANCE DETAILS

Current (03-Jun-2024) Last (NA)

C1. LABOR



Labor Summary: All labour standards were verified, and the facility provided all access to the auditor for verification. All the labor sections were found with compliant in the light of facility tour, employees and management interviews, and available records. No child or young was found on the facility. The facility employs workers only after verification of a national ID card. No signs of forced labor were noted as the employees confirmed during an interview that they were free to leave the workplace after work and overtime is also optional. The facility has an open door policy for all employees. The facility encourages the participation of employees at all levels to motivate employees. Hiring procedures were defined to hire employees and trained them to promote safety at workplace. Employees are encouraged to avail leave to feel fresh and motivated towards their jobs. Group insurance and other benefits were provided to all employees as per law. Employees are free to join the workers representation committee and also aware about the disciplinary procedures.

Sub Section: Freedom of Association

Status	Findings	% Global freq of compliance
● Moderate	O0149: Employee representatives are not provided with access to the workplace in order to carry out their representative functions. Past occurrences at this facility: NA Auditor's comment The facility has constituted a joint worker council and the council carries monthly meetings, however, the agenda points of the meetings do not comply with legal requirements. Local Law requirement: The Sindh Industrial Relations Act, 2013. 29. Workers Management Council.– (5) The Council shall function for securing and preserving good	100%

Status	Findings	% Global freq of compliance
	labour management relation and shall look after the following matters– (i) improvement in production, productivity and efficiency; (ii) fixation of job and piece-rates; (iii) planned regrouping or transfer of the workers; (iv) laying down the principles of remuneration and introduction of new remuneration methods; (v) provision of minimum facilities for such of the workers employed through contractors as are not covered by the laws relating to welfare of workers; (vi) endeavor to maintain continuous sympathy and understanding between the employer and the workmen; (vii) settlement of differences and disputes through bilateral negotiations; (viii) security of employment for the workmen and conditions of safety, health and job satisfaction in their work; (ix) measures for facilitating good and harmonious working conditions in the establishment; (x) provision of educational facilities for children of workmen in secretarial and accounting procedures and their absorption in these departments of the establishment; and (xi) vocation training within the establishment.	

Sub Section: Employment Contracts

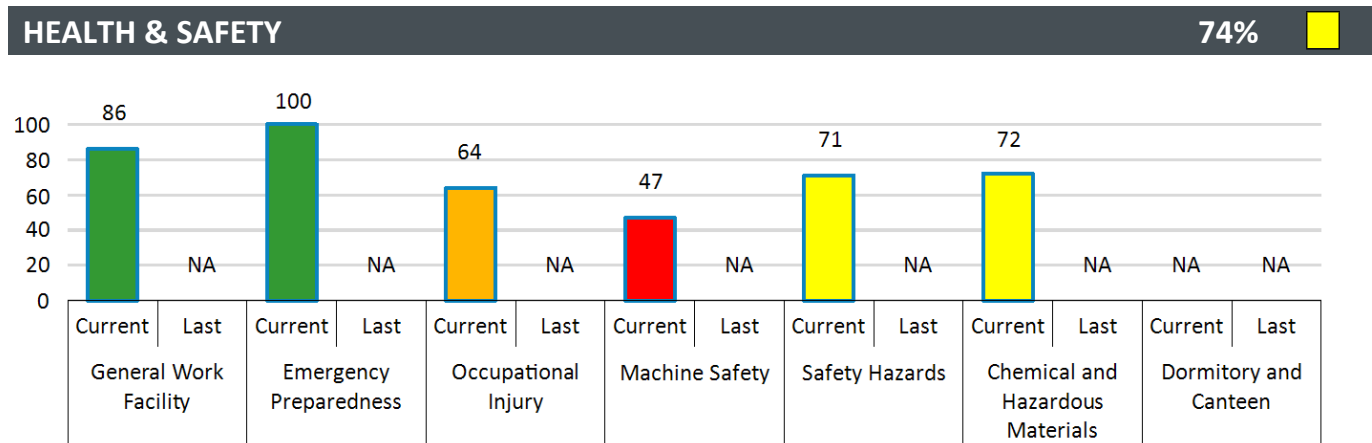
Status	Findings	% Global freq of compliance
● Moderate	O0174: Employees do not have a copy of the employment contract (or equivalent job description). Past occurrences at this facility: NA Auditor's comment During worker interviews, it was evident that a copy of the employment contract was not given to 3 out of 10 sampled workers. Local law reference: Section 2(1)THE SINDH TERMS OF EMPLOYMENT (STANDING ORDERS) ACT, 2015. (n) “worker” means any person employed in any industrial establishment or commercial establishment or a mine to do any skilled or unskilled, manual or clerical work for hire or reward and includes permanent, probationer, badli, temporary, apprentices and contract workers, but does not include occupier and manager having the hiring and firing authority; provided that no worker shall be employed through an agency or contractor or sub-contractor or middleman or agent, to perform function relating to their contract of employment	99%

C2. WAGES & HOURS



Wages and Hours Summary: Based on the document review it was noted that 12 months' payroll records (from 01 May 2023 till 30 April 2024) and electronic attendance records from 01 May 2023 to 30 April 2024 were provided for review. Wages of all employees were calculated based on monthly rate basis and paid by bank transfer and cash on or before 7th of each month. The facility has both monthly paid workers and piece rate workers. All employees were paid above and equal to the legal minimum wage standard i.e. 32000 rupees per month. Through employees' interview and document review, it was noted that legally required leaves such as annual leave and etc. had been provided to all employees and they worked overtime on voluntary basis. Based on the payroll records provided by the facility, the overtime payment was 200% of normal rate for overtime on normal workdays and rest days respectively. Based on the document review daily production records, inspection records, and material delivery records, no inconsistent record was found. Biometric attendance system was used to record employees' working hours.

C3. HEALTH & SAFETY



Health & Safety Summary: Facility have emergency preparedness plan, and facility's emergency response team work according to the plan in case of emergency. Names and photos of emergency response team and firefighters were found posted on production floors. All the fire extinguishers are found in good condition with the expiry date on each. There were 3-4 fire extinguishers visible in every department along with fire buckets. The facility conducts fire drill, evacuation drill, firefighting and first aid training to all employees annually. There were 2-3 fire alarm points in each department. Evacuation plans were also found posted on each floor in local language. There are at least two (2) emergency exits/stairs on each floor. Facility has provided sufficient first box with trained first aiders on each production floor. Facility has 08 trained first aiders and firefighters from Civil Defence authorities.

Sub Section: General Work Facility

Status	Findings	% Global freq of compliance
● Minor	O0238: Toilets at the facility are not clean and properly stocked with supplies. Past occurrences at this facility: NA Auditor's comment During the site tour, a door was observed missing on one out of two toilets, and toilets were observed in unhygienic condition on the ground floor near security offices. Local law reference: Section 23. (1) of Sindh Factories Act 2015; (d) all such latrines and urinals shall be maintained in a clean and sanitary condition at all times with suitable detergents or disinfectants or with both.	94%

Sub Section: Occupational Injury

Status	Findings	% Global freq of compliance
● Moderate	O0338: The facility does not have first aider(s) in place. Past occurrences at this facility: NA Auditor's comment During the site tour, first aid instructions were observed missing on 2 out of 4 first aid boxes in the dyeing section. Local law reference: Punjab Factory Rule 1978 (96) In every factory there shall be maintained in good working order first-aid appliances as specified in Appendix-I. The appliances shall be placed under the charge of a responsible person who knows how to use them, and shall be kept in a readily accessible place within the factory so as to be immediately available during working hours. The words "First Aid" shall be clearly painted on the box or other receptacle concerning such appliances.	91%

Sub Section: Machine Safety

Status	Findings	% Global freq of compliance
● Moderate	O0382: Points of operation and other potentially dangerous parts are not operated with proper machine safeguards. Past occurrences at this facility: NA Auditor's comment During the site tour, safety belt covers were observed missing on 3 out of 5 machines in the finishing area. Local Law reference: In accordance with the Sindh Factory Act 2015 Chapter III Health and safety section 30. (1) In every factory the following shall be securely fenced by the safeguards of substantial construction which shall be kept in position while the parts of machinery required to be fenced are in motion or in use, Namely.	86%
● Moderate	O0397: The facility does not monitor the employees to ensure personal protective equipment (PPE) required to control machine safety hazards is correctly used. Past occurrences at this facility: NA Auditor's comment During the site tour, 2 workers were observed working at height on a bleaching machine without safety helmets and shoes. Local law reference: The Sindh Occupational Safety And Health Act, 2017 (2) Every employer shall inter-alia ensure that there exists effective methods for - (h) provide for the workers, where necessary, when hazards cannot be otherwise eliminated or controlled, adequate protective clothing and protective equipment of a type approved by Government, to prevent every risk of injury and of adverse effects on health.	92%

Status	Findings	% Global freq of compliance
● No Score	O0399: Additional Finding/Observation - Machine Safety Past occurrences at this facility: NA Auditor's comment During the site tour, safety nozzles/guns were observed missing on compressed air pipes in the dyeing section. Local law reference: The Sindh Occupational Safety And Health Act, 2017: (2) without prejudice to the generality of the foregoing provisions, the said rules may include, but not limited to, the following matters, namely:- (F) guarding and fencing of the machinery and work at or near machinery In motion.	NA

Sub Section: Safety Hazards

Status	Findings	% Global freq of compliance
● Moderate	O0412: Electrical systems have not been regularly inspected and maintained to industry standards. Past occurrences at this facility: NA Auditor's comment During the site tour, rubber mats were observed missing under electric panels in the dyeing section finishing area. Local law reference: Rule 62(1) of The Sind Factories Rules, 1975: 62. (1) In every factory, all electrical circuits or part of such circuits or any object electrically connected with them whether commonly or occasionally in an electrified condition, which by reason of their position could cause injury to any person, shall be protected adequately, either by non-metallic fencing or insulation or by both, in such manner as to remove danger of injury.	94%

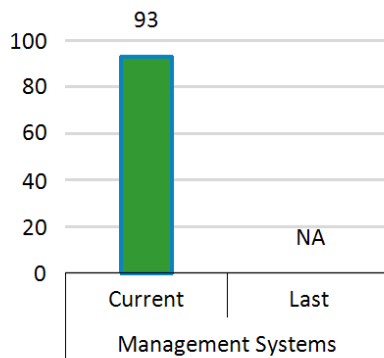
Sub Section: Chemical and Hazardous Materials

Status	Findings	% Global freq of compliance
● Moderate	O0461: Chemical(s) or material(s) are not stored as per label instructions/MSDS. Past occurrences at this facility: NA Auditor's comment During the site tour, secondary containment was observed missing under chemical cans placed outside the boiler area. WCA standard requires that the chemicals are adequately stored.	96%

C4. MANAGEMENT SYSTEMS

MANAGEMENT SYSTEMS

93%



Management System Summary: Facility has developed policies and procedures endorsed by higher management on labor laws, child labor, force labor, wages & hours, health & safety, freedom of association, discrimination, regular employment, harassment & environment. Facility has open door policy for all employees. The facility has Human Resources department to take care of the daily matter of the organization. Director of the facility himself ensure the implementation of local laws and international labor standards requirements and sustainability . Facility management was found aware of local law requirements concerning, child labor, wages, hours of work, health and safety, environment etc. Moreover, facility obtains law updates from labor department and also has subscription of different law web sites. Facility was conducting internal audits and management review meetings on biannually basis to check and ensure effectiveness of social policy and procedure. Local government departments like labor department, electrical department and Civil defense departments are conducting annual inspections at the facility. Inspection reports were provided for compliance verification.

Sub Section: Management Systems

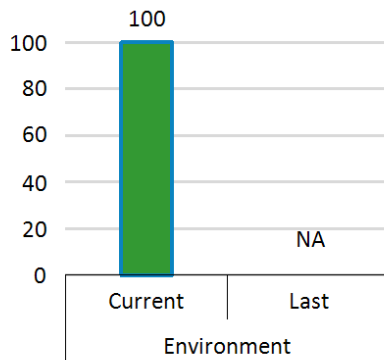
Status	Findings	% Global freq of compliance
● Minor	O0788: The facility's written social compliance policy does not provide a clear framework for setting social compliance objectives and targets. Past occurrences at this facility: NA Auditor's comment Although the facility has established the framework for setting social compliance, however, no social compliance objectives or targets observed developed. WCA standards require that the facility shall establish social compliance objectives and targets.	98%

Status	Findings	% Global freq of compliance
● Minor	O0844: The facility does not provide appropriate training (with training records maintained) to all relevant employees on emergency preparedness procedures in the event of a fire or other emergency. Past occurrences at this facility: NA Auditor's comment Although the facility has developed an emergency response plan and an ERP team, however, no female is made a part of this team whereas, the facility has hired 5 female workers. WCA standards requires that the female members are a part of ERP team.	96%

C5. ENVIRONMENT

ENVIRONMENT

100%



Environment Summary: Facility has defined environmental policy and procedures and has obtained stack emission monitoring reports of generator and using licensed contractor for waste disposal. Facility has also obtained environmental approval/No Objection Certificate for the facility processes from the Environmental Protection Agency. Facility also conducts monitoring of noise and ambient from an approved government lab.

% Global Frequency of Compliance: Represents the implementation percentage performance of all suppliers participating in the WCA Community globally for each issue

Identification numbers: Represents the finding ID associated with each checklist question

RECOMMENDATION FOR IMPROVEMENT PLAN TIMELINE

- Minor: Take action within 0 ~ 6 months to make necessary improvements.
- Moderate: Take action within 0 ~ 3 months to make necessary improvements.
- Major: Take action within 0 ~ 1 month to make necessary improvements.
- Zero Tolerance: Take immediate action to make necessary improvements.

D. STRENGTHS AND CHALLENGES

Facility Strengths: Facility performance ranks in the top percentile of the population and/or has implemented a best practice process	Rating	Global Freq. of Compliance%
The facility has comprehensive working hour and wages management processes and procedures in a written manual that support adherence to social compliance requirements and are being properly implemented.	Compliant	37%
Total overtime hours are within allowable limits under applicable law or agreement.	Compliant	42%
The facility has comprehensive employee safety processes and procedures in a written manual that support adherence to social compliance requirements and are being properly implemented.	Compliant	43%
The facility has comprehensive emergency preparedness processes and procedures in a written manual that support adherence to social compliance requirements and are being properly implemented.	Compliant	57%
The facility provides social security, pensions, healthcare and/ or other insurance to employees as per legal requirement.	Compliant	59%
The facility has comprehensive chemicals management processes and procedures in a written manual that support adherence to social compliance requirements and are being properly implemented.	Compliant	70%
The facility conducts and/or pays for regular occupational health examinations for employees when applicable.	Compliant	76%
The facility (including construction projects) have the building permits and/or fire safety permits as per the legal requirements.	Compliant	76%
The facility has implemented an mechanism/program to identify, evaluate and control employee exposure to physically demanding work, such as manual handling, heavy lifting, highly repetitive tasks, and other physically demanding jobs to prevent work-related injuries.	Compliant	77%
Employment practice procedures (forced labor, freedom of association, employment contracts, discipline, harassment & abuse) are in place.	Compliant	77%

Challenges: Facility performance ranks in the bottom percentile of the population	Rating	Global Freq. of Compliance%
Employee representatives are not provided with access to the workplace in order to carry out their representative functions.	Moderate	100%
Employees do not have a copy of the employment contract (or equivalent job description).	Moderate	99%
The facility's written social compliance policy does not provide a clear framework for setting social compliance objectives and targets.	Minor	98%
Chemical(s) or material(s) are not stored as per label instructions/MSDS.	Moderate	96%
The facility does not provide appropriate training (with training records maintained) to all relevant employees on emergency preparedness procedures in the event of a fire or other emergency.	Minor	96%
Electrical systems have not been regularly inspected and maintained to industry standards.	Moderate	94%
Toilets at the facility are not clean and properly stocked with supplies.	Minor	94%
The facility does not monitor the employees to ensure personal protective equipment (PPE) required to control machine safety hazards is correctly used.	Moderate	92%

The facility does not have first aider(s) in place.	Moderate	91%
Points of operation and other potentially dangerous parts are not operated with proper machine safeguards.	Moderate	86%

Best Practices:

The facility has written procedures in place to determine, manage and control overtime.	The facility has made progress in reducing or eliminating pollution, waste and conserving resources.
The facility implements an auditing program and audits all suppliers, subcontractors and labor providers.	

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