

Monitored Party American Safety Power Tool Limited	amfori ID 586-000655-000	Address Plot # 1 ,2,12 and 13 Sector E-4, Phase 2, Export Processing Zone, Karachi 75150, Pakistan., 75150 Karachi, Sindh, Pakistan
Monitoring Activity amfori Social Audit - Manufacturing	Monitoring Type Full Monitoring	Monitoring Partner ALGI International, Inc.
Monitoring Start Date 24/04/2024	Closing Meeting Finished Date 24/04/2024	Submission Date 04/05/2024
Expiration Date 04/05/2026	Announcement Type Semi Announced	
Site American Safety Power Tool Limited	Site amfori ID 586-000655-001	

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OVERALL RATING



SECTION RATING

PA1: Social Management System	B	
PA 2: Workers Involvement and Protection	C	
PA 3: The Rights of Freedom of Association and Collective Bargaining	A	
PA 4: No Discrimination, Violence or Harassment	A	
PA 5: Fair Remuneration	B	
PA 6: Decent Working Hours	A	

PA 7: Occupational Health and Safety	A	
PA 8: No Child Labour	A	
PA 9: Special Protection for Young Workers	A	
PA 10: No Precarious Employment	A	
PA 11: No Bonded, Forced Labour or Human Trafficking	A	
PA 12: Protection of the Environment	A	
PA 13: Ethical Business Behaviour	A	

GENERAL DESCRIPTION

This amfori BSCI full audit was conducted in 1 calendar day (4 persons days excluded report writing) of American Safety Power Tool Limited on 24th April 2024, by ALGI Pakistan auditors (Mr. Saqib Javed "Lead auditor" with APSCA CSCA 21700870, Mr. Muhammad Adeel Khan "Team auditor" with APSCA ASCA 21700904, Muhammad Atiyab "Team auditor" with APSCA ASCA 21705322, Mr. Muhammad Ejaz "Team auditor" with APSCA ASCA 21700894 and Mr. Haris Safder "Trainee auditor" APSCA ASCA 32200457). The factory was established in 2012. The total covered area of factory building is 40509.97 square feet. This factory is located at Plot # 1 ,2,12 and 13 Sector E-4, Phase 2, Export Processing Zone, Karachi, Pakistan.

Factory is the manufacturer of "Safety wear and Work wear".
The NTN number of factory is "7393193".

Audit process: The auditors conducted the opening meeting, factory tour, worker/worker representative/ management interviews, document review and the closing meeting.

Opening Meeting:

The opening meeting started at 09:05 AM with Mr. Muhammad Umair Khan (Manager Compliance), Mr. Ibtehaj Qutub (Compliance officer), Mr. Sajjad Ali (Worker Council Committee President), Mr. Noman Khan (Assistant Manager Admin) and Mr. Nazeer (Health and Safety Committee In-charge) present commenced the audit process.
The entire audit process, standard and scope were explained to the people present.

The amfori BSCI code of conduct and the amfori BSCI holistic approach were both explained in detail.

The auditors also explained and presented ALGI's Gifts and Gratuity letter to the facility management, where Mr. Muhammad Umair Khan (Manager Compliance) agreed and signed the document.

They gave assurance that they're at the auditor's disposal and proved so by providing all the necessary documents in time along with a separate room to conduct employees interview.

Overall, at the time of the facility visit, the attitude of the facility management was good.

Factory has obtained building stability certificate and building layout from the governmental approved engineer as per the legal requirement.

Factory provided PPEs as per the production process and define about the production process of the entire factory.

Health and Safety tour:

Site tour of the entire premises was taken by the auditors and the following areas were visited: Cutting, stitching, quality checking, finishing and packing.

Facility Overview:

Factory consists of 1 building and the section wise layout are as follow:

Ground floor is occupied by time office, security office, workers canteen, waste storage area, warehouse, cutting section, offices, washrooms, finished goods warehouse, generator area, compressor room and electrical panel room.

Mezzanine floor is occupied by offices.

First floor is occupied by finishing section, sewing section, packing section, mechanical room, sample room, offices, IEE department, admin office, facemask production department, female toilets and other area is under constructions.

Second floor is occupied by sewing section, quality checking section, store, female rest room, GGT room, male toilets, offices and finishing section.

Roof top is found under construction.

Factory timing:

Office staff and production employees working hours are 08:00 AM to 05:00 PM.
Security section operated in three shifts. 07:00 AM to 03:00 PM, 03:00 PM to 11:00 PM and 11:00 PM to 07:00 AM.
All the workers are given one day rest in a week "Sunday" and workers in security section enjoy their rest day on rotational basis.

Number of workers information:

There are total 1000 employees included 700 male and 300 female employees in the factory.

There are total 1000 workers in the factory with 890 production workers and 110 non-production workers.

35 permanent and directly hired workers, were randomly selected from different production section for interviews. (Sampled periods From April 2023 to March 2024) On sample basis payroll records and time records of the month of March 2024 (Current paid month), October 2023 (Randomly selected paid month) and April 2023 (Initial paid month) were reviewed. Moreover, attendance register, production records, product inspection report and broken needle register were reviewed by the auditors.

Peak season months are March to September in the factory.

Low season months are October to February in the factory.

There is no sub-contracting utilize by the factory.

#Living wage.

Factory has not calculated basic living wage for their employees; however, the data of Basic Living Wage calculation are selected by the auditors through the Global Living Wage Coalition- GLWC website as a benchmark of the Satellite Cities, June, 2023; The current living wages is 43709 PKR. The audit team were unable to compare the result of the calculation, as the auditee has not calculated the BLW.

Factory does have a worker council committee instead of union, which is established through fair vote casting system. Worker council committee is responsible for conducting meeting after every three months to solve the issues related to workers.

At the end of all the audit processes, a closing meeting was started by the auditors at 5:40 pm in the presence of with Mr. Muhammad Umair Khan (Manager Compliance), Mr. Ibtehaj Qutub (Compliance officer), Mr. Sajjad Ali (Worker Council Committee President), Mr. Noman Khan (Assistant Manager Admin) and Mr. Nazeer (Health and Safety Committee In-charge).

Findings detail:

There are some areas of improvement found in other performance areas such as PA1 Social Management System (1.1), PA2 Workers involvement and protection (2.3), PA 5 Fair Remuneration (5.4), PA 7 Occupational Health and Safety (7.6, 7.7, 7.11, 7.13, 7.17 and 7.21) and PA12 Protection of the Environment (12.4).

Mr. Muhammad Umair Khan (Manager Compliance) and Mr. Sajjad Ali (Worker Council Committee President) agreed and signed the summary of findings.

Attitude of factory management:

The factory management was receptive and extended their full support throughout the audit process. They showed a positive attitude towards the compliance requirements.

There was no special circumstance during the audit.

There were no dormitory in the factory and there were not applicable as per local law.

The factory has provided transport facility to their workers.

There are some mandatory attachments, which are not applicable in this audit.

Collective bargaining agreement, government waivers, inconsistency between time and production records, photos of dormitories and remediation of the previous findings.

SITE DETAILS

Site

American Safety Power Tool Limited

Site amfori ID

586-000655-001

GICS Classification

Sector

Consumer Discretionary

Industry Group

Consumer Durables & Apparel

Industry

Textiles, Apparel & Luxury Goods

Sub Industry

Textiles

amfori Process Classifications

N.A.

NACE Classification

N.A.

GS1 Classifications

N.A.

Water Stress Situation

N.A.

METRICS

Key Metrics

Total workforce	1,000	Workers
Legal minimum wage in local currency	32,000	Monthly
Lowest wage paid for regular work at the site	32,000	Monthly
Calculated living wage in local currency	43,709	Monthly
Total sample	35	Workers

Other Metrics

Male workers	700	Workers
Female workers	300	Workers
Non-binary workers	0	Workers
Permanent workers - Male	700	Workers
Permanent workers - Female	300	Workers
Permanent workers - Non-binary	0	Workers
Temporary workers - Male	0	Workers
Temporary workers - Female	0	Workers
Temporary workers - Non-binary	0	Workers
Seasonal workers - Male	0	Workers
Seasonal workers - Female	0	Workers
Seasonal workers - Non-binary	0	Workers
Management - Male	107	Workers
Management - Female	3	Workers
Management - Non-binary	0	Workers
Apprentices - Male	0	Workers
Apprentices - Female	0	Workers
Apprentices - Non-binary	0	Workers
Workers on probation - Male	0	Workers
Workers on probation - Female	0	Workers
Workers on probation - Non-binary	0	Workers
Workers with night shift - Male	5	Workers
Workers with night shift - Female	0	Workers
Workers with night shift - Non-binary	0	Workers
Workers with disabilities - Male	0	Workers
Workers with disabilities - Female	0	Workers
Workers with disabilities - Non-binary	0	Workers
Domestic migrant workers - Male	0	Workers
Domestic migrant workers - Female	0	Workers
Domestic migrant workers - Non-binary	0	Workers
Foreign migrant workers - Male	0	Workers

Foreign migrant workers - Female	0	Workers
Foreign migrant workers - Non-binary	0	Workers
Workers hired directly - Male	700	Workers
Workers hired directly - Female	300	Workers
Workers hired directly - Non-binary	0	Workers
Workers hired indirectly - Male	0	Workers
Workers hired indirectly - Female	0	Workers
Workers hired indirectly - Non-binary	0	Workers
Unionised workers - Male	0	Workers
Unionised workers - Female	0	Workers
Unionised workers - Non-binary	0	Workers
Workers under CBA - Male	0	Workers
Workers under CBA - Female	0	Workers
Workers under CBA - Non-binary	0	Workers
Pregnant workers	0	Workers
Workers on parental leave - Male	0	Workers
Workers on parental leave - Female	0	Workers
Workers on parental leave - Non-binary	0	Workers
Sample - Male	25	Workers
Sample - Female	10	Workers
Sample - Non-binary	0	Workers

FINDINGS

PA1: Social Management System

Site: American Safety Power Tool Limited | Site amfori ID: 586-000655-001

Question: 1.1 Is there satisfactory evidence that the auditee has set up an effective management system to implement the amfori BSCI Code of Conduct?

ENGLISH

Finding

It was evident through documents review and management interviews that factory is in progress to integrate the amfori BSCI code of conduct in day-to-day business activities. However, amfori BSCI COC was not posted in the factory and there are some areas of improvement identified on implementation in the performance areas of Social Management System PA 1, Workers Involvement and Protection PA 2, Fair Remuneration PA 5, Occupational Health and Safety PA 7 and Protection of the Environment PA 12. This is partially in compliance with BSCI COC, because factory has developed list of policies and procedure as per the requirement of local law and BSCI COC and factory management has fully implemented system into rest performance areas.

PA 2: Workers Involvement and Protection

Site: American Safety Power Tool Limited | Site amfori ID: 586-000655-001

Question: 2.3 CRUCIAL: Is there satisfactory evidence that the auditee takes specific steps to make workers aware of their rights and responsibilities?

ENGLISH

Finding

It was evident through documents reviews and workers interviews that facility has trained their employees upon company social policies and benefits. However, it was noted during workers interviews that 06 out of 35 (17%) sampled workers were found not aware with their insurance scheme (life insurance), medical benefits and Leaves (casual and sick). This is partially in compliance with BSCI COC because (83%) sampled workers found aware with legal benefits which is stated that factory management has provided benefits training to their workers as per the BSCI requirement, however there are few workers found unaware with benefits, therefore this finding rated as partially.

PA 5: Fair Remuneration

Site: American Safety Power Tool Limited | Site amfori ID: 586-000655-001

Question: 5.4 Is there satisfactory evidence that the auditee provides sufficient remuneration that allows workers to meet a decent standard of living?

ENGLISH

Finding

It was evident during documents reviews and management interviews that factory has not calculated Basic living wages for their employees, although company has paid minimum wages according to local law 32000 PKR; However auditor followed the Global Living Wage Coalition- GLWC website as a benchmark for data selection and noted that all the sampled employees in three sampled months (March 2024, October 2023 and April 2023) are found to be paid below the BLW (basic living wage) 43709 PKR according to Global Living Wage Coalition- GLWC website as a benchmark. Although all the sampled workers found earned minimum wage 32000 PKR per month as per legal requirement. This is not in compliance with BSCI COC requirement and management found unaware with the requirement of BLW. Therefore this finding rated as “No”.

PA 7: Occupational Health and Safety

Site: American Safety Power Tool Limited | Site amfori ID: 586-000655-001

Question: 7.6 Is there satisfactory evidence that the auditee enforces the use of PPE to provide protection to workers alongside other controls and safety systems?

ENGLISH

Finding

It was noted during factory visit that:

- 1) Twenty out of two hundred (10%) workers in stitching section 01 on second floor were found with barefoot instead of closed toe shoes/ slippers this can cause the risk of injury during working.
- 2) Nine out of thirty overlock machines operators (30%) were not wearing facemask as PPEs during machine operations.

This is partially in compliance with BSCI COC, because majority of the employees in the factory found wearing shoes and slippers, mask, gloves as per the job specification which stated that factory management has implemented the system related to PPEs in the factory, therefore this finding rated as partially.

Question: 7.7 Is there satisfactory evidence that the auditee implements engineering and administrative control measures to avoid or minimise the release of hazardous substances into the work environment, keeping the level of exposure below internationally established or recognised limits?

ENGLISH

Finding

It was noted during factory visit that:

- 1) One oil can was found without identification sign, MSDS and secondary containment in compressor area on ground floor.
- 2) Two oil cans were found without identification sign, MSDS and secondary containment in steam generator area on roof top.

This is partially in compliance with BSCI COC, because factory has put the effort and manage the chemicals safety into the factory and rest of chemicals (diesel and oil) bottles, cans and drums were found compliant as per the BSCI COC requirement, therefore this finding is rated as partially.

Question: 7.11 Is there satisfactory evidence that the auditee confirms that the equipment and buildings used for production are stable and safe?

ENGLISH

Finding

It was noted during factory visit that:

- 1) Wall cracks was found on emergency exit stairs wall on second floor.
- 2) Crack on wall was found at sewing department on first floor.
- 3) Crack on wall was found at electrical panel room on ground floor.

This is partially in compliance with BSCI COC, because factory has acknowledge the building stability certificate and building layout from governmental body and approved engineer and as well all the pillars beams, and rest of walls, beams, pillars and roof found compliant and there were no any building critical safety issues identified in the factory. Therefore this finding is rated as partially.

Question: 7.13 Is there satisfactory evidence that the auditee makes sure a competent person periodically checks the electrical installations and equipment?

ENGLISH

Finding

It was evident during factory visit that:

- 1) Loose, damage and unorganized electrical wiring was found connected with exhaust fans in canteen kitchen area on ground floor.
- 2) Loose, damage and unorganized electrical wiring was found at workers toilets on ground floor.
- 3) One broken electrical switch board was found near cargo lift on ground floor.
- 4) One unsecured and without protective inner cover sheet electrical panel was found on roof top steam generator area.

This is partially in compliance with BSCI COC. because majority of the electrical panels, electrical equipment, electrical wirings and electrical installation found as per the legal requirement which confirms that factory management is implemented the system as per BSCI COC requirement but there are few electrical issues found in the factory that is why this finding rated as partially.

Question: 7.17 Is there satisfactory evidence that the auditee ensures adequate safeguards for any machine part, function, or process which may cause injury to workers?

ENGLISH

Finding

It was evident during factory visit that:

- 1) LPG Gas cylinder near canteen kitchen area on ground floor was kept without safety guard / chained/ grilled etc.
- 2) Two out of two exhaust fans were found without protective covers in canteen kitchen area on ground floor.
- 3) Generator safety work instruction was not posted in generator area on ground floor.
- 4) Eye guards were not installed on fifty out of four hundred sewing machines on second floor.

This is partially in compliance with BSCI COC. Although majority of the stitching machines, bracket fans, exhaust fan and generator protected with safety guards such as needle guards, belt covers, safety covers

Finding

as per the BSCI COC requirement which confirms that factory management is implemented the system as per BSCI COC requirement related to moving parts but there are some issues found in the factory, therefore this finding rated as partially.

Question: 7.21 Is there satisfactory evidence that the auditee provides workers with access to an appropriate, clean area for storing food, eating and/or cooking?

ENGLISH

Finding

It was evident during factory visit that:

- 1) Factory has not provided dining furniture's such as tables and chairs in male and female workers canteen for food eating purpose.
- 2) Food rate list with menu were not posted in workers canteen area.

This is partially in compliance with BSCI COC, because factory has provided rest rooms and eating area with subsidize rate food within the factory, therefore this finding rated as partially.

PA 12: Protection of the Environment

Site: American Safety Power Tool Limited | Site amfori ID: 586-000655-001

Question: 12.4 Is there satisfactory evidence that waste is managed in a way that does not lead to the pollution of the environment?

ENGLISH

Finding

It was evident during factory visit that factory has not established waste storage area within factory premises for hazardous and non-hazardous waste which were generated during production processes. i.e. cutting & fabric waste, metal waste, oil waste, electric cables waste, tube lights, medical waste, electronic waste etc.

This is partially in compliance with BSCI COC, because factory has developed waste segregation policy and procedure and have a contract with third party waste collecting company, which is stated the commitment of management toward the environmental requirement, therefore this finding is rated as partially.