



BASE REPORT

For auditors verifying living wage gaps

Version 1.2 –02/11/20

Please check the box to indicate how the verification of the living wage gap took place (*select only one*):

- As part of a full / standalone THIRD-PARTY AUDIT¹
- As part of a full / standalone SECOND-PARTY AUDIT²
- As part of a full / standalone FIRST-PARTY AUDIT³

¹ Third-party audit: refers to an audit executed under the supervision and against the criteria set by of an independent certification or verification scheme and conducted by trained and specialized auditors.

² Second-party audit: refers to an audit executed under the supervision and against the criteria set by an individual company and conducted by contracted, external auditors.

³ First-party audit: refer to an audit executed under supervision and against the criteria set by an individual company and conducted by internal auditors.

General Information

SCHEME DETAILS

<i>Verification took place as element of third-party audit against scheme:</i>	e.g. SEDEX
<i>Name of audit organization:</i>	e.g. TUV SUD
<i>Name of auditor:</i>	Mr./Mrs. XXX
<i>IDH LW training number:</i>	<< IDH training number of auditors >>

FACILITY DETAILS

<i>Facility type:</i>	Choose an item.
<i>Name of facility:</i>	
<i>Address of facility:</i>	
<i>Names and GPS locations of facilities within scope of the audit visit.</i> <i>(Sites that have been visited only for interviews because the same central payroll system applies)</i>	

EMPLOYEE DETAILS	
<i>Permanent workers⁴:</i>	<< Enter number of workers that fall within the category>>
<i>Directly employed temporary workers⁵:</i>	<< Enter number of workers that fall within the category >>
<i>Temporary workers hired via an employment agency⁶:</i>	<< Enter number of workers that fall within the category >>
<i>Total number of workers interviewed⁷:</i>	

⁴ Permanent workers: permanent workers are employees with paid leave entitlements in jobs or work contracts of unlimited duration, including regular workers whose contract lasts for 12 months and over.

⁵ Directly employed temporary workers: Employees on a fixed term contract or whose expected duration of main job is less than one year with seasonal/temporary/fixed contract work supplied as the reason and that are directly contracted and paid by the employer.

⁶ Temporary workers hired via an employment/hiring agency: Employees on a fixed term contract or whose expected duration of main job was less than one year with seasonal/temporary/fixed contract work supplied as the reason and that are contracted and paid by an employment agency/hiring agency.

⁷ The total number of workers interview must include a sufficient representation of men and women (when relevant), as well as temporary and piece-rate workers.

Verified Salary Matrix

<i>Year of completion of Salary Matrix:</i>	<< yyyy>>	<i>Date of Verification:</i>	<<dd/mm/yyyy>>
<i>Referenced living wage benchmark used and year it was completed</i>	<<Name>>		
(Ankers or name of the IDH recognized living wage benchmark methodology)	<<Year>>		

Result Overview

<i>Average living wage gap for the year that was in scope on the date of verification:</i>			
<i>Biggest living wage gap based on the lowest paid job category:</i>			
<i>Result of the living wage gap verification on date:</i>	<input type="checkbox"/> Positive Verification <input type="checkbox"/> Negative Verification		
<i>Result of the living wage gap checked by union representative / worker representative:</i>	<input type="checkbox"/> Yes <input type="checkbox"/> No	Name of union representative / worker representative: Signature:	

Additional remarks from the auditor:	
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Verification of Salary Matrix - Findings and Results

Nr.	Data point to be verified	Verification guidelines for the auditors verifying the living wage gap – (see verification guidelines for details on what is expected to check.)	Verified	Data entered correctly in the SM?	Auditor’s justification in case of No/Partly
I.	Producer Information				
1	Area of production / production location	GPS coordinates, size of the production area (like number of hectares) was checked.	Yes / No	Yes / No / Partly	
2.	Total annual production	Plant manager was interviewed, and administration was crosschecked.	Yes / No	Yes / No / Partly	
II.	Job categories				
1.	Job categories within company	Payroll system with names of the selected job categories/positions was checked.	Yes / No	Yes / No / Partly	
		Pay slips of two workers in same job categories were checked along with the name of their job categories and if the workers were paid the same way and receive the same in-kind benefits.	Yes / No	Yes / No / Partly	

		Checked in the field how temporary workers are paid, by whom and the name of their job category. When paid by the agency, it was checked if this is entered within a separate job category.	Yes / No	Yes / No / Partly	
2.	Currency	Checked if the local currency is correctly entered.	Yes / No	Yes / No / Partly	
III.	Number of workers				
1.	Number of workers per work area	One work area was selected and the payroll records on total number of workers was checked for completeness and correctness.	Yes / No	Yes / No / Partly	
2.	Number of workers per job category	One job category was selected and the payroll records on total number of workers was checked for completeness and correctness.	Yes / No	Yes / No / Partly	
3.	Gender of work force	Crosschecked with payroll records on the correct number of male and female, for the work area reviewed above in number III.1, in the SM.	Yes / No	Yes / No / Partly	
IV.	Wages				
	Yearly bonuses				
1.	Company policy on bonuses: 13 th and/or 14 th month, performance/quality bonus, holiday bonuses and other bonuses	Company's policies on bonuses was checked, and checked if bonuses, and the amounts of the bonuses, can be expected in advance. Two random workers (one male, one female) with bonuses were interviewed and their pay slips checked in relation to data in the SM.	Yes / No	Yes / No / Partly	

2.	Amount and number of workers that have received bonuses	One work area was checked to see if the number of workers receiving bonuses was entered correctly into the SM.	Yes / No	Yes / No / Partly	
		One job category in a work area was checked to see if the amounts of the bonuses were entered correctly in the SM.	Yes / No	Yes / No / Partly	
	Wage per season				
1.	Remuneration per job category on time unit (like hours, days, weeks, month) or piece rate	At least two pay slips in one job category was checked (one male and one female), from the lowest paid job category as well as any temporary workers, to confirm that the time unit/piece rate is correctly described and the correct amounts per time unit/piece rate is entered in the SM.	Yes / No	Yes / No / Partly	
2.	Time units worked (like hours, days, week, month) or average units completed per day (for men and women separately) in the job categories	Interviewed four workers, minimal one male and one female , in two job categories to check that the average units completed per day are correctly reflected in the SM (when relevant job category with piece rate). Production records were sampled for crosscheck.	Yes / No	Yes / No / Partly	
V.	In-kind Benefits (types)				
1	Company policies on in-kind benefits: food, transportation, housing, healthcare, Children’s education, childcare or any other in-kind benefit	Checked company policies and methods for calculating cost of in-kind benefits.	Yes / No	Yes / No / Partly	
		Confirmed that in-kind benefits are regular, reliable, and can be expected in advance, including by checking pay slips or other evidence from two random workers (one male and one female) that receive those in-kind benefits. Checked for completeness and correctness within the SM.	Yes / No	Yes / No / Partly	

2.	Workers receive food as part of in-kind benefits	<p>Interviewed a minimum of two workers and checked that:</p> <ul style="list-style-type: none"> • they accept the food provided • it reflects national standards • It represents a full meal <p>Canteen/kitchen checked to confirm that the meal reflects local standards and is nutritious.</p> <p>Checked that the number of workers in the job category that receive food is correctly entered in the SM.</p>	Yes / No	Yes / No / Partly	
3.	Workers receive transportation as in-kind benefit	<p>Vehicles used for transportation were checked on safety.</p> <p>Interviewed a minimum of two workers to check regularity, reliability, safety and use of transportation.</p> <p>Checked that the monthly transportation costs to the employer are entered correctly in the SM.</p> <p>Checked that the number of workers in the job category that received transportation was correctly entered in the SM.</p>	Yes / No	Yes / No / Partly	

4.	Workers receive housing as in-kind benefit	<p>Area of the housing provided by the employer was checked according to the table on housing quality in Annex #, on:</p> <ul style="list-style-type: none"> - Durable structure - Decent sanitation - Safe water <p>Checked that the monthly housing cost to the employer was entered correctly in the SM.</p> <p>Checked that the number of workers in the job category that received housing was correctly entered in the SM</p> <p><u>Interviewed a minimum of two workers</u> to check that housing that is accounted for in the SM is indeed family housing and that it is secure, year-round housing for the worker and their family.</p> <p>[By “family housing” we mean that the housing can accommodate a worker’s nuclear family under acceptable quality and privacy conditions if the family so chooses to accompany the worker (<i>note that a single person without partner and/or children would be considered a family of 1</i>). Under these considerations, housing that only accommodates a worker and requires that worker to provide housing elsewhere for her/his family would not be counted toward a living wage.]</p>	Yes / No	Yes / No / Partly	
5.	Workers receive healthcare as in-kind benefit	<p>Checked that the healthcare provided is not solely related to work and that it is additional to any state-provided national healthcare system (for example, is not simply an amount that an employer is required to pay in taxes toward the national health care systems).</p> <p><u>Interviewed a minimum of two workers</u> to confirm that the healthcare policy and associated services are regularly available, reliable, and accessible.</p> <p>Checked that the healthcare cost, item cost and number of items are entered correctly in the SM.</p>	Yes / No	Yes / No / Partly	

		Checked that the number of workers in the job category that received healthcare is correctly entered in the SM.			
6.	Workers receive a contribution to children's education	<p>Checked with the HR department and reviewed evidence which demonstrates how the contribution to education is made. Interviewed two workers to confirm.</p> <p>Checked that the contribution costs, item cost and number of items are entered correctly in the SM.</p> <p>Checked that the number of workers in the job category that receive children's education is correctly entered in the SM.</p>	Yes / No	Yes / No / Partly	
7.	Workers receive childcare	<p>Pay slips of two workers that receive childcare were checked to see how the childcare is reflected on the pay slips.</p> <p>Checked that the childcare costs, item cost and number of items was entered correctly in the SM.</p> <p>Checked that the number of workers in the job category that receive childcare was correctly entered in the SM.</p>	Yes / No	Yes / No / Partly	
VI.	Results				
1.	The living wage benchmark methodology used is IDH-recognized	<p>An IDH recognized LW benchmark methodology was selected.</p> <p>https://www.idhsustainabletrade.com/publication/living-wage-benchmark-methodologies-criteria/</p>	Yes / No	Yes / No / Partly	
2.	Gross living wage benchmark value	Gross living wage entered and checked	Yes / No	Yes / No / Partly	
3.	Gross living wage benchmark value	The Gross living wage entered was checked and confirmed by a union representative and/or worker representative	Yes / No	Yes / No / Partly	