



Sedex Members Ethical Trade Audit Report

Version 6.0



Audit Details			
Sedex Company Reference: (only available on Sedex System)	ZC: 253677305	Sedex Site Reference: (only available on Sedex System)	ZS: 253677319
Business name (Company name):	Indesore Sweater Ltd.		
Site name:	Indesore Sweater Ltd.		
Site address: (Please include full address)	Deger Chala, National University, Gazipur Sadar, Gazipur-1704	Country:	Bangladesh.
Site contact and job title:	Ms. AYSHA Siddika/ DGM- HR & Compliance		
Site phone:	+ 88-01711262000	Site e-mail:	aysha@indesore.com
SMETA Audit Pillars:	<input checked="" type="checkbox"/> Labour Standards	<input checked="" type="checkbox"/> Health & Safety	<input checked="" type="checkbox"/> Environment <input checked="" type="checkbox"/> Business Ethics
Date of Audit:	29 th & 30 th April, 2019		

Audit Company Name & Logo:  Global Sustainable Certification Services Ltd.	Report Owner (payee): Indesore Sweater Ltd.
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Audit Conducted By					
Commercial	<input checked="" type="checkbox"/>	Purchaser	<input type="checkbox"/>	Retailer	<input type="checkbox"/>
Brand owner	<input type="checkbox"/>	NGO	<input type="checkbox"/>	Trade Union	<input type="checkbox"/>
Multi-stakeholder	<input type="checkbox"/>	Combined Audit (select all that apply)			



Audit Content:

(1) A SMETA audit was conducted which included some or all of Labour Standards, Health & Safety, Environment and Business Ethics. The SMETA Best Practice Version 6.0 April 2017 was applied. The scope of workers included all types at the site e.g. direct employees, agency workers, workers employed by service providers and workers provided by other contractors. Any deviations from the SMETA Methodology are stated (with reasons for deviation) in the SMETA Declaration.

(2) The audit scope was against the following reference documents

2-Pillar SMETA Audit

- ETI Base Code
- SMETA Additions
 - Universal rights covering UNGP
 - Management systems and code implementation,
 - Responsible Recruitment
 - Entitlement to Work & Immigration,
 - Sub-Contracting and Home working,

4-Pillar SMETA

- 2-Pillar requirements plus
- Additional Pillar assessment of Environment
- Additional Pillar assessment of Business Ethics
- The Customer's Supplier Code (Appendix 1)

(3) Where appropriate non-compliances were raised against the ETI code / SMETA Additions & local law and recorded as non compliances on both the audit report, CAPR and on Sedex.

(4) Any Non-Compliance against customer code shall not be uploaded to Sedex. However, in the CAPR these 'Variances in compliance between ETI code / SMETA Additions/ local law and customer code' shall be noted in the observations section of the CAPR.



SMETA Declaration

I declare that the audit underpinning the following report was conducted in accordance with SMETA Best Practice Guidance and SMETA Measurement Criteria.

- (1) Where appropriate non-compliances were raised against the ETI code / SMETA Additions & local law and recorded as non-compliances on both the audit report, CAPR and on Sedex.
- (2) Any Non-Compliance against customer code alone shall not be uploaded to Sedex. However, in the CAPR these 'Variances in compliance between ETI code / SMETA Additions/ local law and customer code' shall be noted in the observations section of the CAPR.

Any exceptions to this must be recorded here

(e.g. different sample size):

Auditor Team (s) (please list all including all interviewers):

Lead auditor:

Team auditor:

Interviewers:

Report writer:

Report reviewer:

Audit Company Report Reference:

Date of declaration:

Nil

Md. Hasan, S.M Shamim, Asif Foisal and Rahamat Sikder

Md. Hasan

S.M Shamim, Asif Foisal and Rahamat Sikder

Md. Hasan, Asif Foisal and Rahamat Sikder

Md. Hasan

Kazi Mohammad Morad Hossain

S-BD-2019-13

29th & 30th April, 2019

Note: The focus of this ethical audit is on the ETI Base Code and local law. The additional elements will not be audited in such depth or scope, but the audit process will still highlight any specific issues.

This report provides a summary of the findings and other applicable information found/gathered during the social audit conducted on the above date only and does not officially confirm or certify compliance with any legal regulations or industry standards. The social audit process requires that information be gathered and considered from records review, worker interviews, management interviews and visual observation. More information is gathered during the social audit process than is provided here. The audit process is a sampling exercise only and does not guarantee that the audited site prior, during or post-audit, are in full compliance with the Code being audited against. The provisions of this Code constitute minimum and not maximum standards and this Code should not be used to prevent companies from exceeding these standards. Companies applying this Code are expected to comply with national and other applicable laws and where the provisions of law and this Code address the same subject, to apply that provision which affords the greater protection. The ownership of this report remains with the party who has paid for the audit. Release permission must be provided by the owner prior to release to any third parties.



Non-Compliance Table

Issue (please click on the issue title to go direct to the appropriate audit results by clause) Note to auditor, please ensure that when issuing the audit report, hyperlinks are retained.	Area of Non-Conformity (Only check box when there is a non-conformity, and only in the box/es where the non-conformity can be found)				Record the number of issues by line*:			Findings (note to auditor, summarise in as few words as possible NCs, Obs and GE)
	ETI Base Code	Local Law	Additional Elements	Customer Code	NC	Obs	GE	
0A Universal Rights covering UNGP			<input type="checkbox"/>	<input type="checkbox"/>		0	0	None observed
0B Management systems and code implementation	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	01	01	0	Summary of Non-Conformance: 1. Building no 02 (total 400 Sft.) did not include in the fire license, note that management is using building 02 as ETP. Summary of Observation: 1. They had not communicated the code to their own supplier.
1. Freely chosen Employment	<input type="checkbox"/>	<input type="checkbox"/>		<input type="checkbox"/>	0	0	0	None observed
2. Freedom of Association	<input type="checkbox"/>	<input type="checkbox"/>		<input type="checkbox"/>	0	0	0	None observed
3. Safety and Hygienic Conditions	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>		<input type="checkbox"/>	06	0	0	Summary of Non-Conformances: 1. The Childcare room and Medical room were not fully separate by any fence at upper portion. 2. No aisles marking found at jacquard distribution area at 5th floor of building 01. Also, aisles marking found faded in several areas throughout the factory like jacquard section at 7th floor and washing section at ground floor of building 01.

									<p>3. Mobil and machine oil containers were stored without MSDS, Label and secondary containment in machine maintenance room at basement floor of building 01.</p> <p>4. Exit sign was missing in jacquard distribution room located at building 01 (5th Floor).</p> <p>5. Facility did not identify risk of finished goods store, maintenance section, child care room and medical room.</p> <p>6. Facility provided ear plug to the operators of re- winding machine but 05 out of 05 operators were not using ear plug while working.</p>
4	<u>Child Labour</u>	<input type="checkbox"/>	<input type="checkbox"/>		<input type="checkbox"/>	0	0	0	None observed
5	<u>Living Wages and Benefits</u>	<input type="checkbox"/>	<input type="checkbox"/>		<input type="checkbox"/>	0	0	03	<p>Summary of Good Examples:</p> <p>1. The factory provides attendance bonus BDT. 300 for all workers.</p> <p>2. The factory provides nutrition allowance BDT. 600 for all pregnant and new mothers up to child age 02.</p> <p>3. The factory provides production bonus for all piece rate workers as per company policy.</p>
6	<u>Working Hours</u>	<input type="checkbox"/>	<input type="checkbox"/>		<input type="checkbox"/>	0	0	0	None observed
7	<u>Discrimination</u>	<input type="checkbox"/>	<input type="checkbox"/>		<input type="checkbox"/>	0	0	0	None observed
8	<u>Regular Employment</u>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	01	0	0	Summary of Non-Conformance:

									1. Approximately 15% worker's service book in part 3 & 4 wages information and leave record not updated.
8A	<u>Sub-Contracting and Homeworking</u>		<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	0	0	0	None observed
9	<u>Harsh or Inhumane Treatment</u>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	0	0	0	None observed
10A	<u>Entitlement to Work</u>		<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	0	0	0	None observed
10B2	<u>Environment 2-Pillar</u>		<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	0	0	0	Not applicable as 4-Pillar audit.
10B4	<u>Environment 4-Pillar</u>		<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	0	0	0	None observed
10C	<u>Business Ethics</u>		<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	0	0	0	None observed

General observations and summary of the site:

Based on documents review, employees' interview and site tour, the positive and negative findings are as follows:

Indesore Sweater Ltd. was located at Deger Chala, National University, Gazipur Sadar, Gazipur-1704, Bangladesh. The site was established in 2008, and business owned by Mr. Md. Rukonuzzaman. The factory specialized in the manufacture of Sweater items. The total factory area was 284,263 square feet and the production area were 186,263 square feet. In view of facilities, the factory is made in 02 buildings.

The main production process is Winding, Knitting (Auto jacquard), Linking, Trimming, Mending, Sewing, Washing, Ironing, PQC, Packing and Finishing. The peak season of the factory from April to September with a production capacity 425,000 pieces per month.

On the day of audit, there were 2,687 workers (Male-1,613 & Female-1,074) in the factory in which 2,507 production workers and 180 non-production workers. All workers were local. Weekend of the factory was Friday. The working hours in the factory were from 08:00 to 17:00 with 60 minutes break from 13:00 to 14:00 except knitting (Jacquard) section. Working hour for knitting (Jacquard) section were in 2 shifts as follows: Shift-A: - from 08:00 to 17:00 with 60 minutes break from 13:00 to 14:00 and Shift B: - from 20:00 to 05:00 with 60 minutes break from 01:00 to 02:00. Only security has three shifts per eight hours each with rostering schedule of break & weekend.

Factory was using punched machine as a time keeping system for all workers.

Positive finding:

1. The factory provided company registration No: C-69466(1977)/08, with lifetime validity started from 1st January 2008.
2. The construction project completion acceptance and fire control acceptance report were provided for review.
3. All employees were recruited directly by the factory. The all employees provided the copy of their personal ID cards, birth certificate, and educational certificate (if any) and characterize certificate to the factory before they started work. Both copy of ID cards, birth certificate, educational certificate, characterize certificate and latest individual photos are kept properly in their personnel files.
4. The emergency evacuation floor plan was posted on the wall of each floor.
5. No child labour or young worker was found during audit.
6. Neither migrant workers nor agency workers were found in the facility.
7. No forced labour, discrimination & harsh or inhumane treatment were found during the audit.
8. Suggestion box was available for employees to complain or feedback their working condition. Also, they could communicate with their supervisors, welfare officer directly and through worker representatives.
09. The factory conducted fire drill that included fire extinguishers exercise and evacuation exercise every two months at production area. The latest fire drill was conducted on 20th March 2019.
10. The senior management (Ms. AYESHA Siddika/ DGM- HR & Compliance) was assigned to be responsible for Health & Safety.
11. Totally 62 workers [Twelve (22) individual workers and Forty (40) Eight group of five workers] were interviewed in the confidential room. Employees' attitude was positive and polite during the audit. And employees showed the favourable attitude toward the factory via worker's interview.
12. Fire-fighting facilities were well equipped.
13. Drinking water and toilet were available and accessed easily.
14. Per payroll record review and interviews with management and employees that 65% salary-based workers and 35%-piece rate workers, all workers were paid by monthly wage system. Wages were paid once a month within first 7th working days of the following pay period. All the employees' wages were paid by cash. No delay of wage was identified through documents review, worker interview and management interview.

Previous audit findings:

Previous periodic audit conducted on 4th April, 2018. There were one non-compliances in the area of "Managements system and Code Implementation" and Seven non-compliance in the area of "Safety and Health Conditions" were closed. Rest of the non-compliances are incorporated with this report as new non-compliance.

Negative finding in present audit on 29th & 30th April, 2019.

In the present periodic audit one non-compliance was found in the areas of "Managements system and Code Implementation". Seven non-compliance were found in the areas of "Safety and Health Conditions" and one non-compliance was "Regular Employment" Refer to Non-Compliance Table above.

Observation:

One observation was found in the areas of "Management systems and code implementation". Refer to Observation Table above.

**Please note the table above records the total number of Non-compliances (NC), Observations (Obs) and Good Examples (GE). This gives the reviewer an indication of problem areas but does not detail severities of each issue – Reviewers need to check audit results by clause.*

Site Details

Site Details																							
A: Company Name:	Indesore Sweater Ltd.																						
B: Site name:	Indesore Sweater Ltd.																						
C: GPS location: (if available)	GPS Address: Deger Chala, National University, Gazipur Sadar, Gazipur-1704	Latitude: 90.393514 Longitude: 23.962859																					
D: Applicable business and other legally required licence numbers and documents, for example, business license number, liability insurance, any other required government inspections	<p>Trade License No: 792, issued by Gazipur City Corporation, which is valid till June 30, 2019.</p> <p>Factory License No: 13747/Gazipur issued by Bangladesh Government this is valid till June 30, 2019.</p> <p>Fire License No: DD/Dhaka/24753/2014, issued by Bangladesh Fire Service & Civil Defence Authority which is valid till June 30, 2019.</p> <p>Certificate of Incorporation: C-69466(1977)/08</p>																						
E: Products/Activities at site, for example, garment manufacture, electricals, toys, grower, cutting, sewing, packing etc.	<p>The factory specialized in the manufacture of Sweater items.</p> <p>Production Process: Winding, Knitting (Auto Jacquard), Linking, Trimming, Mending, Sewing, Washing, Ironing, PQC, Packing and Finishing.</p>																						
F: Site description: (Include size, location, and age of site. Also, include structure and number of buildings)	<p>Indesore Sweater Ltd. was located at Deger Chala, National University, Gazipur Sadar, Gazipur-1704, Bangladesh. The site was established in 2008, and business owned by Mr. Md. Rukonuzzaman. The factory specialized in the manufacture of Sweater items. The total factory area was 284,263 square feet and the production area were 186,263 square feet.</p> <p>The building details are as follow:</p> <table border="1"> <thead> <tr> <th>Building No. 1 (8 storied building)</th> <th>Description</th> <th>Remark, if any</th> </tr> </thead> <tbody> <tr> <td>Basement</td> <td>Generator, Electrical Sub-Station and Hydrant Pump Room</td> <td>Nil</td> </tr> <tr> <td>Ground Floor</td> <td>Chemical Room, Bonded Warehouse, Washing, Boiler, Medical and Day Care.</td> <td>Nil</td> </tr> <tr> <td>Floor 1</td> <td>Finishing section</td> <td>Nil</td> </tr> <tr> <td>Floor 2</td> <td>Winging Linking, Sample and Accessories Store</td> <td>Nil</td> </tr> <tr> <td>Floor 3</td> <td>Finishing section</td> <td>Nil</td> </tr> <tr> <td>Floor 4</td> <td>Projected Finishing Floor</td> <td>Nil</td> </tr> </tbody> </table>		Building No. 1 (8 storied building)	Description	Remark, if any	Basement	Generator, Electrical Sub-Station and Hydrant Pump Room	Nil	Ground Floor	Chemical Room, Bonded Warehouse, Washing, Boiler, Medical and Day Care.	Nil	Floor 1	Finishing section	Nil	Floor 2	Winging Linking, Sample and Accessories Store	Nil	Floor 3	Finishing section	Nil	Floor 4	Projected Finishing Floor	Nil
Building No. 1 (8 storied building)	Description	Remark, if any																					
Basement	Generator, Electrical Sub-Station and Hydrant Pump Room	Nil																					
Ground Floor	Chemical Room, Bonded Warehouse, Washing, Boiler, Medical and Day Care.	Nil																					
Floor 1	Finishing section	Nil																					
Floor 2	Winging Linking, Sample and Accessories Store	Nil																					
Floor 3	Finishing section	Nil																					
Floor 4	Projected Finishing Floor	Nil																					



	Floor 5	Office and Automatic Knitting (Jacquard) section	Nil
	Floor 6	Automatic Knitting (Jacquard) section	Nil
	Floor 7	Automatic Knitting (Jacquard) section	Nil
	Floor 8	Dining, Canteen and Prayer Room	Nil
	Is this a shared building?	No	Nil
	Building No. 2 ETP Building	Description	Remark, if any
	Ground floor	ETP	Nil
	Is this a shared building?	No	Nil
	<p>Visible structural integrity issues (large cracks) observed?</p> <p><input type="checkbox"/> Yes</p> <p><input checked="" type="checkbox"/> No</p> <p>Please give details: No cracks were observed on the day of audit.</p> <p>Does the site have a structural engineer evaluation?</p> <p><input checked="" type="checkbox"/> Yes</p> <p><input type="checkbox"/> No</p> <p>Please give details: The site provided engineer evaluation report (Accord Structural, Fire and Building safety report), the factory building found structurally safe.</p>		
G: Site function:	<input type="checkbox"/> Agent <input checked="" type="checkbox"/> Factory Processing/Manufacturer <input type="checkbox"/> Finished Product Supplier <input type="checkbox"/> Grower <input type="checkbox"/> Homeworker <input type="checkbox"/> Labour Provider <input type="checkbox"/> Pack House <input type="checkbox"/> Primary Producer <input type="checkbox"/> Service Provider <input type="checkbox"/> Sub-Contractor		
H: Month(s) of peak season: (if applicable)	April to September.		
I: Process overview:	Product: The factory specialized in the manufacture of Sweater items.		



<p><i>(Include products being produced, main operations, number of production lines, main equipment used)</i></p>	<p>Process: Winding, Knitting (Auto Jacquard), Linking, Trimming, Mending, Sewing, Washing, Ironing, PQC, Packing and Finishing.</p> <p>Main Equipment: Computerized Flat Knitting M/C 799 Pcs, Winding M/C 22 Pcs, Winding Auto Transfer M/C 675 Pcs, Semi Auto Knitting M/C 10 Pcs, Auto Placket M/C 17 Pcs, Dial Linking M/C 742 Pcs, Auto Drawstring M/C 54 Pcs, Overlock M/C 24 Pcs, Button hole M/C 18 Pcs, Button Stitch M/C 14 Pcs, Bartack M/C 20 Pcs, Flat Lock M/C 3 Pcs, Plain M/C 102 Pcs, Washing M/C 8 Pcs, Hydro Extractor M/C 8 Pcs, Auto Gas Dryer M/C 12 Pcs, Auto Winding M/C 2 Pcs, Vacuum Table With Industrial Stem Iron 127 Pcs, Dust Cleaner M/C 8 Pcs, Needle Detector M/C 2 Pcs, Boiler 4 Pcs, Generator 3 Pcs, Snap Button M/C 1 Pcs.</p>
<p>J: What form of worker representation / union is there on site?</p>	<p><input type="checkbox"/> Union (name)</p> <p><input checked="" type="checkbox"/> Worker Committee – (Participation committee)</p> <p><input type="checkbox"/> Other (specify)</p> <p><input type="checkbox"/> None</p>
<p>K: Is there any night production work at the site?</p>	<p><input checked="" type="checkbox"/> Yes</p> <p><input type="checkbox"/> No</p>
<p>L: Are there any on site provided worker accommodation buildings e.g. dormitories</p>	<p><input type="checkbox"/> Yes</p> <p><input checked="" type="checkbox"/> No</p> <p>If yes approx. % of workers in on site accommodation: Not applicable</p>
<p>M: Are there any off site provided worker accommodation buildings</p>	<p><input type="checkbox"/> Yes</p> <p><input checked="" type="checkbox"/> No</p> <p>If Yes approx. % of workers: Not applicable</p>
<p>N: Were all site provided accommodation buildings included in this audit</p>	<p><input type="checkbox"/> Yes</p> <p><input checked="" type="checkbox"/> No</p> <p>If No, please give details: Almost 96% employees come from local area, so the site does not provide accommodation building.</p>



Audit Parameters			
A: Time in and time out	Day 1 Time in: 09: 10 Day 1 Time out: 18: 25	Day 2 Time in: 09: 12 Day 2 Time out: 04: 25	Day 3 Time in: NA Day 3 Time out:
B: Number of auditor days used:	Day 01- 03 auditors Day 02- 1.5 auditors		
C: Audit type:	<input type="checkbox"/> Full Initial <input checked="" type="checkbox"/> Periodic <input type="checkbox"/> Full Follow-up <input type="checkbox"/> Partial Follow-Up <input type="checkbox"/> Partial Other If other, please define:		
D: Was the audit announced?	<input type="checkbox"/> Announced <input checked="" type="checkbox"/> Semi – announced: Window detail: 03 weeks- Window period from 23 April to 14 May, 2019. <input type="checkbox"/> Unannounced		
E: Was the Sedex SAQ available for review?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No If No, why not		
F: Any conflicting information SAQ/Pre-Audit Info to Audit findings?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No If Yes , please capture detail in appropriate audit by clause		
G: Who signed and agreed CAPR (Name and job title)	Ms. AYSHA Siddika/ DGM- HR & Compliance		
H: Is further information available (if yes, please contact audit company for details)	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No		
I: Previous audit date:	04 th April, 2018		
J: Previous audit type:	Periodic audit (4-pillar)		
K: Were any previous audits reviewed for this audit	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A		

Audit attendance	Management	Worker Representatives	
	Senior management	Worker Committee representatives	Union representatives
A: Present at the opening meeting?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
B: Present at the audit?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
C: Present at the closing meeting?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No



D: If Worker Representatives were not present please explain reasons why (only complete if no worker reps present)	Not applicable
E: If Union Representatives were not present please explain reasons why: (only complete if no union reps present)	No union exists in the factory, so no union representative present.

Worker Analysis



The term "migrant worker" refers to a person who is engaged or has been engaged in a remunerated activity in a country of which they are not a national and where they do not intend to remain permanently or has purposely migrated on a temporary basis to another in-country region to seek and engage in a remunerated activity

Worker Analysis								
	Local			Migrant*				Total
	Permanent	Temporary	Agency	Permanent	Temporary	Agency	Home workers	
Worker numbers – Male	1,613	0	0	0	0	0	0	1,613
Worker numbers – female	1,074	0	0	0	0	0	0	1,074
Total	2,687	0	0	0	0	0	0	2,687
Number of Workers interviewed – male	40	0	0	0	0	0	0	40
Number of Workers interviewed – female	22	0	0	0	0	0	0	22
Total – interviewed sample size	62	0	0	0	0	0	0	62

A: Nationality of Management	Bangladeshi.
B: Nationality of workers <i>Please add more rows as applicable</i>	Countries: Country 1: _Bangladeshi____ Country 2: _0____ Country 3: _0____
C: For the majority nationality of workers:	Nationality 1 approx % total workforce__100__ Nationality 2 approx % total workforce__0____



	Nationality 3 approx % total workforce__0__
D: Worker remuneration (<i>management information</i>)	<p>__35__% workers on piece rate __0__% hourly paid workers __65__% salaried workers</p> <p>Payment cycle: __0__% daily paid __0__% weekly paid __100__% monthly paid __0__% other If other, please give details</p>

Worker Interview Summary	
A: Were workers aware of the audit?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
B: Were workers aware of the code?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
C: Number of group interviews: (Please specify number and size of groups. Please see SMETA Best Practice Guidance and Measurement Criteria. If the auditor was not able to follow the BPG, please state within the declaration)	Total group interviews 40 Employees. 08 Groups of 05.
D: Number of individual interviews (Please see SMETA Best Practice Guidance and Measurement Criteria)	Male: 12 Female: 10
E: All groups of workers are included in the scope of this audit such as; Direct employees, Casual and agency workers, Workers employed by service providers such as security and catering staff as well as workers supplied by other contractors. <i>Note to auditor: please record details of migrant /agency/contractor workers in section 8 – Regular Employment, under Responsible Recruitment</i>	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No If no, please give details
F: Interviews were done in private and the confidentiality of the interview process was communicated to the workers?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
G: In general, what was the attitude of the workers towards their workplace?	<input checked="" type="checkbox"/> Favourable <input type="checkbox"/> Non-favourable <input type="checkbox"/> Indifferent
H: What was the most common worker complaint?	None
I: What did the workers like the most about working at this site?	Facility workplace condition is comfortable, timely payment of wages and benefit. Good relationship with facility management.



J: Any additional comment(s) regarding interviews:	Nothing to report
K: Attitude of workers to hours worked:	Total working hour is within standard and overtime is fully voluntary.
L. Is there any worker survey information available?	
<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <i>If yes, please give details: The site has the practice to collect monthly survey from their workers. The auditor reviews the record and found improvement requires their day care centre.</i>	
M: Attitude of workers: <i>(Include their attitude to management, workplace, and the interview process. Both positive and negative information should be included) Note: Do not document any information that could put workers at risk</i>	
<p>The factory allowed the auditors from Global Sustainable Certification Services Ltd to conduct confidential worker interviews. The workers were chosen freely without any influence by the factory management; 62 workers (08 groups of 05 workers and 22 individuals) were randomly selected by auditor from different section for interviews. The workers showed a cooperative attitude during the interview process. Based on worker's interview, they expressed their positive attitude to the management and also payment system. All workers were satisfied with working conditions and benefits.</p> <p>The effective evidences were collected by worker's interview; the following information was summarized:</p> <ol style="list-style-type: none"> Workers said that they were not required to lodge "deposits" or their identity cards at the recruitment and were free to leave or resign after reasonable notice. All interviewees reflected that workers could complain to management or worker committee representative's directly or by writing letters through suggestion box and hotline number, all interviewed workers were aware of workers' representative. All workers stated that factory provided induction training for new workers and regular safety training for all workers. Workers said they had participated in fire drills at the production area every two months, and most of them knew how to use the fire equipment. All interviewees confirmed that the factory had checked their ID cards or birth certificate to verify their ages. They never seen or heard any child labour less than 18 years old employed in this factory. All interviewed workers said that they were paid by monthly wage system. Wages were paid once a month within first 7th working days of the following pay period. All the employees' wages were paid by cash. No delay of wage was identified through worker interview and management interview. They could check the wages if they had any doubts. All employees work for 06 days in a week (Saturday to Thursday) and Friday is weekly holiday. The working hours in the factory were from 08:00 to 17:00 with 60 minutes break from 13:00 to 14:00 except knitting (Jacquard) section. Working hour for knitting (Jacquard) section were in 2 shifts as follows: Shift-A: - from 08:00 to 17:00 with 60 minutes break from 13:00 to 14:00 and Shift B: - from 20:00 to 05:00 with 60 minutes break from 01:00 to 02:00. Only security has three shifts per eight hours each with rostering schedule of break & weekend. The interviewed workers said that they could obtain the job based on their working experiences and abilities. The female workers or male workers' wages were calculated at the same for the same work based on their performance. All interviewed workers said that the factory had signed contracts with them during recruitment time and they had a copy of the contract on hands. 	
N: Attitude of worker's committee/union reps: <i>(Include their attitude to management, workplace, and the interview process. Both positive and negative information should be included) Note: Do not document any information that could put workers at risk</i>	



Interview with the worker committee representatives, the interviewees expressed that the facility management was nice to them, they could freely express their opinions, will, advice and suggestion without any fear or concern and they could make grievance if necessary. No negative information was observed during the audit.

O: Attitude of managers:

(Include attitude to audit, and audit process. Both positive and negative information should be included)

The factory management showed open and positive attitude to the audit. The factory management agreed that the auditor could take photos of the factory and factory compound and copy relevant documents/records. The factory agreed that the auditor conducted confidential interviews with employees who were chosen freely without any influence by the factory. The factory agreed that the auditor had accesses to all facilities, compound and documents and records requested by the audit. They have helped to the auditor during the audit.

At the end of the audit, the facility management accepted all findings.

Audit Results by Clause

0A: Universal Rights covering UNGP

[\(Click here to return to NC-table\)](#)

0.A. Guidance for Observations

0.A.1 Businesses should have a policy, endorsed at the highest level, covering human rights impacts and issues, and ensure it is communicated to all appropriate parties, including its own suppliers.

0.A.2 Businesses should have a designated person responsible for implementing standards concerning Human rights

0.A.3 Businesses shall identify their stakeholders and salient issues.

0.A.4 Businesses shall measure their direct, indirect, and potential impacts on stakeholders (rights holders) human rights.

0.A.5 Where businesses have an adverse impact on human rights within any of their stakeholders, they shall address these issues and enable effective remediation.

0.A.6 Businesses shall have a transparent system in place for confidentially reporting, and dealing with human rights impacts without fear of reprisals towards the reporter.

Note for auditors and readers. This is not a full Human Rights Assessment, but instead a check on the business's implementation of processes to meet their Universal rights covering UNGP responsibilities.

Current Systems and Evidence Examined

To complete 'current systems' Auditors examine policies and written procedures in conjunction with relevant managers, to understand, and record what controls and processes are currently in place e.g. record what policies are in place, what relevant procedures are carried out, who is /are responsible for the management of this item of the code. Evidence checked should detail any documentary or verbal evidence shown to support the systems.

Current systems:

According to the documents review, the facility had established a policy, endorsed at the highest level, covering human rights impacts and issues, and the management provided the agreements signed by both the facility and its appropriate parties including its own suppliers to show they have communicated to its appropriate parties.



The facility had posted the policy about respecting Human Rights in the policy board, for example, Child labour shall not be used, Forced Labour shall not be used, no discrimination is practiced, no harsh or inhumane treatment is allowed, etc.

The appointment letter of management representative Ms. AYSHA Siddika/ DGM- HR & Compliance for implementing standards concerning Human rights was also provided for review. The facility provided the stakeholder's situation for review. The facility provided the assessment report for measuring the direct, indirect, and potential impacts on stakeholders (rights holders) human rights to the auditor for review.

The facility established a transparent system in place for reporting in a confidential manner and dealing with human rights impacts without fear of reprisals towards the reporter by means of suggestion box, making the contact way of Managing Director in policy board and public areas in the facility. The workers are working peacefully.

Evidence examined – to support system description (Documents examined & relevant comments. Include renewal/expiry date where appropriate):

Details:

1. Documentation files were reviewed. It stipulates complying with Human Rights, written policies and procedure that being provided individually to employees.
2. Letter of Authorization on implementing Human Rights
3. Impact for Human Rights assessment report
4. Management interview and employee interview

Any other comments: None

<p>A: Policy statement that expresses commitment to respect human rights?</p>	<p><input checked="" type="checkbox"/> Yes <input type="checkbox"/> No</p> <p>Please give details (mainly applicable for the parent company): The facility had posted the policy about respecting Human Rights in the policy board stated that Child labour shall not be used, Forced Labour shall not be used, no discrimination is practised, no harsh or inhumane treatment is allowed, disciplinary action taken, working hours etc.</p>
<p>B: Does the business have a designated person responsible for implementing standards concerning Human Rights?</p>	<p><input checked="" type="checkbox"/> Yes <input type="checkbox"/> No</p> <p>Please give details: Name: Ms. AYSHA Siddika Job title: DGM- HR & Compliance</p>
<p>C: Does the businesses have a transparent system in place for confidentially reporting, and dealing with human rights impacts without fear of reprisals towards the reporter?</p>	<p><input checked="" type="checkbox"/> Yes <input type="checkbox"/> No</p> <p>Please give details: The facility had established a transparent system in place for confidentially reporting and dealing with human rights impacts without fear of reprisals towards the reporter by means of suggestion box, making the contact way of Managing Director in policy board and public areas in the facility.</p>



D: Does grievance mechanism meet with UNGP requirement of e.g. (Legitimate, Accessible, Predictable, Equitable, Transparent, Rights-compatible, a source of continuous learning and based on stakeholder engagement)?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No If no, please give details:
E: Does the business demonstrate effective data privacy procedures for workers' information, which is implemented?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No Please give details: The facility established an effective data privacy procedure for workers' information to protect the workers' privacy information.

Findings	
Finding: Observation <input type="checkbox"/> Company NC <input type="checkbox"/> Description of observation: None observed Local law or ETI/Additional elements / customer specific requirement: Not applicable Comments: Not applicable	Objective evidence observed: Not applicable

Good examples observed:	
Description of Good Example (GE): None observed	Objective Evidence Observed: Not applicable

Measuring Workplace Impact

Workplace Impact		
A: Annual worker turnover: Number of workers leaving in last 12 months as a % of average total number of workers on site over the year (annual worker turnover)	Last year: __05__ %	This year __4.6__ %
B: Current % quarterly (90 days) turnover: Number of workers leaving from the first of the 90 day period through to the last day of the 90 day period / [(number of employees on the 1 st day of 90 day period + number of employees on the last day of the 90 day period) / 2]	2.13	
C: Annual % absenteeism:	Last year:	Last year:



Number of days lost through job absence in the year / [(number of employees on 1 st day of the year + number employees on the last day of the year) / 2] * number available workdays in the year	___6.1___ %	___5.2___ %
D: Quarterly (90 days) % absenteeism: Number of days lost through job absence in the period / [(Number of employees on 1 st of the period + Number of employees on the last day of the period) / 2] * Number of available workdays in the month	2.63	2.5
E: Are accidents recorded?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No Please describe: Factory has been maintained regular accident register. Safety officer & medical officer is a responsible position to keep records of any accident.	
F: Annual Number of work related accidents and injuries per 100 workers: [(Number of work related accidents and injuries * 100) / Number of total workers]	Last year: 50 Number: 2.22	This year: 20 Number: 0.92
G: Quarterly (90 days) number of work related accidents and injuries per 100 workers: [(Number of work related accidents and injuries * 100) / Number of total workers]	0.58	0.18
H: Lost day work cases per 100 workers: [(Number of lost days due to work accidents and work related injuries * 100) / Number of total workers]	Last year: 0	This year: 0
I: % of workers that work on average more than 48 standard hours / week in the last 6 / 12 months:	6 months ___0___% workers	12 months ___0___% workers
J: % of workers that work on average more than 60 total hours / week in the last 6 / 12 months:	6 months ___0___% workers	12 months ___0___% workers

0B: Management system and Code Implementation

[\(click here to return to NC Table\)](#)

0.B.1 Suppliers are expected to implement and maintain systems for delivering compliance to this Code.
0.B.2 Suppliers are expected to be operating legally in premises with the correct business licenses and permissions and to have systems to ensure that all relevant land rights have been complied with
0.B.3 Suppliers shall appoint a senior member of management who shall be responsible for compliance with the Code.
0.B.4 Suppliers are expected to communicate this Code to all employees.
0.B.5 Suppliers should communicate this code to their own suppliers and, where reasonably practicable, extend the principles of this Ethical Code through their supply chain.



Current Systems and Evidence Examined

To complete 'current systems' Auditors examine policies and written procedures in conjunction with relevant managers, to understand, and record what controls and processes are currently in place e.g. record what policies are in place, what relevant procedures are carried out, who is/are responsible for the management of this item of the code. Evidence checked should detail any documentary or verbal evidence shown to support the systems.

Current systems: Top management of the factory has signed the policies those policies complying with the local legal requirements as well as the ETI Code of Conduct. The company has been assigned Ms. AYSHA Siddika/ DGM- HR & Compliance who is responsible for the compliance with the code and to implement updates the legal compliance. All policies are communicated to the employees through the display in the notice board and training sessions. The factory compliance department carries out on social compliance issues. The factory management arranges training for the workers on the legal rights, child labour, force labour, harassment & abuse as regular interval and training interval is monthly basis.

There was one non-compliance found in the area of "OB: Management system and Code Implementation". For details please refer to the contents of Non-compliance.

Evidence examined-to support system description (Documents examined & relevant comments. Include renewal/expiry date where appropriate):

Details:

1. Facility management Interview
2. Document review (Policy record review and training register review)
3. Workers Interview
4. Facility tour

Any other comments: None

Management Systems:

A: In the last 12 months, has the site been subject to any fines/prosecutions for non-compliance to any regulations?

☐ Yes

☒ No

Please give details: In the past factory was not subject to any fines/prosecutions for non-compliance to any regulations.

B: Do policies and/or procedures exist that reduce the risk of forced labour, child labour, discrimination, harassment & abuse?

☒ Yes

☐ No

Please give details: The facility established procedures that reduce the risk of forced labour, child labour, discrimination, working hours, health & safety, harassment and abuse.

C: If Yes, is there evidence (an indication) of effective implementation? Please give details.

Through documents review and workers interview, the written policies (No forced labour, no child labour, Non-discrimination, working hours, health & safety, harassment and abuse) were communicated to the workers as much as factory mid-level management & workers were informed by training via notification board and training.



D: Have managers and workers received training in the standards for forced labour, child labour, discrimination, harassment & abuse?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No Please give details: Managers and worker were communicated the written standards for forced labour, child labour, discrimination, harassment & abuse by notification board and training.
E: If Yes, is there evidence (an indication) that training has been effective e.g. training records etc.? Please give details	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No Please give details: Yes, factory had arranged training to reduce the risk of forced labour, child labour, discrimination, harassment & abuse for mid-level management & workers. Last training was arranged on April 27 th , 2019.
F: Does the site have any internationally recognised system certifications e.g. ISO 9000, 14000, OHSAS 18000, SA8000 (or other social audits). Please detail (Number and date).	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No Please give details: GOTS Certified.
G: Is there a Human Resources manager/department? If Yes, please detail.	1 Yes 0 No Please give details: Facility has an independent Human Resources department headed by Ms. AYSHA Siddika/ DGM- HR & Compliance including 10 HR officers responsible for this department.
H: Is there a senior person /manager responsible for implementation of the code	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No Please give details: Ms. AYSHA Siddika/ DGM- HR & Compliance
I: Is there a policy to ensure all worker information is confidential	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No Please give details: The factory had adopted a policy decision where by all employees of the company will be required to maintain confidentiality with regard to the affairs of the company & it's greater
J: Is there an effective procedure to ensure confidential information is kept confidential	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No Please give details: Confidential information kept in the worker's personnel file which was kept in a separate room under the supervision of the HR department.
K: Are risk assessments conducted to evaluate policy and procedure effectiveness?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No Please give details: Factory conducted a risk assessment to evaluate policy and procedure effectiveness.



L: Does the facility have a process to address issues found when conducting risk assessments, including implementation of controls to reduce identified risks?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No Please give details: The facility established a process to address issues found when conducting risk assessments, including implementation of controls to reduce identified risks.
M: Does the facility have a policy/code which require labour standards of its own suppliers?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No Please give details: The facility established a policy/code which requires labour standards of its own suppliers.
Land rights	
N: Does the site have all required land rights licenses and permissions (<i>see SMETA Measurement Criteria</i>)?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No Please give details: Facility has all required land rights licenses and permissions.
O: Does the site have systems in place to conduct legal due diligence to recognize and apply national laws and practices relating to land title?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No Please give details: Factory has a designated person to recognize and apply national laws and practices relating to land title. Moreover, factory complies with all national laws and practices relating to land title.
P: Does the site have a written policy and procedures specific to land rights. If yes, does it include any due diligence the company will undertake to obtain free, prior and informed consent, (FPIC) even if national/local law does not require it	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No If yes, how does the company obtain FPIC: Not applicable
Q: Is there evidence that facility / site compensated the owner/lessor for the land prior to the facility being built or expanded.	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No Please give details: Factory land is owned by the facility owner.
R: Does the Facility demonstrate that alternatives to a specific land acquisition were considered to avoid or minimize adverse impacts?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No Please give details: The facility did not demonstrate any alternatives specific land acquisition was considered to avoid or minimize adverse impacts.
S: Is There any evidence of illegal appropriation of land for facility building or expansion of footprint.	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No Please give details: Based on document review it was noted that the factory did not expand the illegal expansion of facility building.

Non-compliance:



<p>1. Description of non-compliance:</p> <p><input checked="" type="checkbox"/> NC against ETI/Additional Elements <input checked="" type="checkbox"/> NC against Local Law</p> <p><input type="checkbox"/> NC against customer code:</p> <p>It was noted through document review and management interview that building no 02 (total 400 Sft.) did not include in the fire license, note that management is using building 02 as ETP.</p> <p>Local law and/or ETI requirement:</p> <p>In accordance with ETI base code 0.B.2: Suppliers are expected to be operating legally in premises with the correct business licenses and permissions and to have systems to ensure that all relevant land rights have been complied with</p> <p>And</p> <p>In accordance with Fire Service & Civil Defence Act 2003, Section-4 (1): Any person wishes to use any building or place as a warehouse or factory, a license will be obtained from the Director General under this Act or Rule.</p> <p>Recommended corrective action:</p> <p>It is recommended that facility management should coverage the ETP building in fire license from concern authority.</p> <p>Action by: Ms. AYESHA Siddika/ DGM- HR & Compliance</p> <p>Timescale: 30 Days.</p>	<p>Objective evidence observed:</p> <p><i>(where relevant please add photo numbers)</i></p> <p>1. Per document review and management interview</p>
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Observation:	
<p>Description of observation:</p> <p>It was noted through document review and management interview that they had not communicated the code to their own supplier.</p> <p>Local law or ETI requirement:</p> <p>In accordance with ETI Base Code 0.B.2: Suppliers are expected to be operating legally in premises with the correct business licenses and permissions and to have systems to ensure that all relevant land rights have been complied with</p> <p>Comments: The facility management expressed that they will communicate the code to their own supplier.</p>	<p>Objective evidence observed:</p> <p>1. Per document review and management interview</p>

Good Examples observed:	
<p>Description of Good Example (GE):</p> <p>None observed</p>	<p>Objective evidence observed:</p> <p>Not applicable</p>



1: Freely Chosen Employment

[\(Click here to return to NC-table\)](#)

ETI

1.1 There is no forced, bonded or involuntary prison labour.

1.2 Workers are not required to lodge "deposits" or their identity papers with their employer and are free to leave their employer after reasonable notice.

Current Systems and Evidence Examined

To complete 'current systems' Auditors examine policies and written procedures in conjunction with relevant managers, to understand, and record what controls and processes are currently in place e.g. record what policies are in place, what relevant procedures are carried out, who is/are responsible for the management of this item of the code. Evidence checked should detail any documentary or verbal evidence shown to support the systems.

Current systems: Through the walkthrough and employee interviews it was noted that facility had no apparent signs of forced, bonded, or involuntary labour, as well as prison subcontracting. All interviewed employees reported they have not paid any deposits to the facility. All employees maintained their own original identity documentation with themselves and were free to resign from the facility at any time.

Evidence examined – to support system description (Documents examined & relevant comments. Include renewal/expiry date where appropriate):

Details:

1. Facility Management Interview
2. Document review (Recruitment policy, working hour policy, workers' personal file, copy of national ID, date of birth certificates, school certificates, security guard's job description etc.)
3. Workers Interview

Any other comments: None

A: Is there any evidence of retention of original documents, e.g. passports/ID's	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No If yes, please give details and category of workers affected:
B: Is there any evidence of a loan scheme in operation	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No If yes, please give details and category of workers affected:
C: Is there any evidence of retention of wages /deposits	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No If yes, please give details and category of workers affected:
D: Are there any restrictions on workers' freedom to terminate employment?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No Please describe finding:
E: If any part of the business is UK based or registered there & has a turnover over £36m, is there is a published 'modern day slavery statement.	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No Please describe finding: <input checked="" type="checkbox"/> Not applicable



G: Is there evidence of any restrictions on workers' freedoms to leave the site at the end of the work day?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No Please describe finding: No evidence of any restrictions on workers freedoms to leave the site at the end of the workday.
H: Does the site understand the risks of forced / trafficked / bonded labour in its supply chain	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No If yes, please give details and category of workers affected: The facility established a policy about forbidden of forced / trafficked / bonded labour and implemented strict management system to control the risk of forced / trafficked / bonded labour in its supply chain. The facility sent agreement of commitment to its suppliers and operated social responsibility audit on suppliers to control the risk of forced / trafficked / bonded labour in its supply chain.
I: Is the site taking any steps taking to reduce the risk of forced / trafficked labour?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No Please describe finding: Factory had provided training and awareness session to all employees to reduce the risk of forced / trafficked labour.

Non-compliance:	
1. Description of non-compliance: <input type="checkbox"/> NC against ETI <input type="checkbox"/> NC against Local Law: <input type="checkbox"/> NC against customer code: None observed Local law and/or ETI requirement Not applicable Recommended corrective action: Not applicable	Objective evidence observed: <i>(where relevant please add photo numbers)</i> Not applicable

Observation:	
Description of observation: None observed Local law or ETI requirement: Not applicable Comments: Not applicable	Objective evidence observed: Not applicable

Good Examples observed:



Description of Good Example (GE): None observed	Objective evidence observed: Not applicable
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2: Freedom of Association and Right to Collective Bargaining are Respected

[\(Click here to return to NC-table\)](#)
[\(Click here to return to Key Information\)](#)

ETI

- 2.1 Workers, without distinction, have the right to join or form trade unions of their own choosing and to bargain collectively.
- 2.2 The employer adopts an open attitude towards the activities of trade unions and their organisational activities.
- 2.3 Workers' representatives are not discriminated against and have access to carry out their representative functions in the workplace.
- 2.4 Where the right to freedom of association and collective bargaining is restricted under law, the employer facilitates, and does not hinder, the development of parallel means for independent and free association and bargaining.

Current Systems and Evidence Examined

To complete 'current systems' Auditors examine policies and written procedures in conjunction with relevant managers, to understand, and record what controls and processes are currently in place e.g. record what policies are in place, what relevant procedures are carried out, who is/are responsible for the management of this item of the code. Evidence checked should detail any documentary or verbal evidence shown to support the systems.

Current systems: Freedom of association policy" clearly states that the workers are free to join or form union of their own choice. Since the workers have not formed any union in the factory, the company has formed a Worker Participation Committee by election of workers. There is an elected Participation Committee (PC) as parallel means of trade union. Verified and confirmed through records review and interview process that the facility does not discriminate any of the workers such as worker's representatives also. The factory has a policy where no restriction imposed to the workers' formation of trade unions.

Evidence examined – to support system description (Documents examined & relevant comments. Include renewal/expiry date where appropriate):

Details:

1. Freedom of association policy review
2. Facility management interviews
3. Worker interview
4. Complain box register (Suggestions from the complaint box and actions taken)
5. Participation Committee formation record review and it's meeting records review, Grievance handling policy & procedure.

Any other comments: None

A: What form of worker representation/union is there on site?	<input type="checkbox"/> Union (name) <input checked="" type="checkbox"/> Worker Committee- Participation committee <input type="checkbox"/> Other (specify) <input type="checkbox"/> None
B: Is it a legal requirement to have a union?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No



C: Is it a legal requirement to have a worker's committee?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	
D: Is there any other form of effective worker/management communication channel? (<i>Other than union/worker committee e.g. H&S, sexual harassment</i>)	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No Describe: The factory management has provided complain box in the toilet area through which workers can raise their suggestion / complaints. Workers can also approach the management directly for any grievances and hotline number which confirmed the interviewed workers. Is there evidence of free elections? <input type="checkbox"/> Yes <input type="checkbox"/> No Not applicable	
E: Does the supplier provide adequate facilities to allow the Union or committee to conduct related business?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No Details: The factory had selected workers' participation committee as per law which was held on January 26, 2018.	
F: Name of union and union representative, if applicable:	N/A	Is there evidence of free elections? <input type="checkbox"/> Yes <input type="checkbox"/> No <input checked="" type="checkbox"/> N/A
G: If there is no union, is there a parallel means of consultation with workers e.g. worker committees?	Factory had formed Worker participation committee	Is there evidence of free elections? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A
H: Are all workers aware of who their representatives are?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	Md. Abdul Halim (worker representative) etc.
I: Were worker representatives freely elected?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	Date of last election: January 26, 2018
J: Do workers know what topics can be raised with their representatives?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	Worker knows what topics can be raised with their representative.
K: Were worker representatives/union representatives interviewed?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No If Yes , please state how many: Two representatives from the participation committee interviewed during the audit.	
L: Please describe any evidence that union/worker's committee is effective? <i>Specify date of last meeting; topics covered; how minutes were communicated etc.</i>	12 worker representatives were elected by employees themselves without any interference by management in the factory on January 26, 2018. The facility provided the ballot result of candidates for review. The last communication meeting was held on April 18 th , 2019 with topic of employees' About Social Audit, Mat provide in male prayer room, Maintenance of Linking section fan's and prayer room prove for every floor etc. Meeting minutes was shared with all workers through posting the meeting minute's on communication board.	



M: Are any workers covered by Collective Bargaining Agreement (CBA)?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	
If Yes , what percentage by trade Union/worker representation	_N/A_% workers covered by Union CBA	_N/A_% workers covered by Union CBA
If Yes , does the Collective Bargaining Agreement (CBA) include rates of pay?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	

Non-compliance:	
1. Description of non-compliance: <input type="checkbox"/> NC against ETI <input type="checkbox"/> NC against Local Law <input type="checkbox"/> NC against customer code: None observed Local law and/or ETI requirement: Not applicable Recommended corrective action: Not applicable	Objective evidence observed: <i>(where relevant please add photo numbers)</i> Not applicable

Observation:	
Description of observation: None observed Local law or ETI requirement: Not applicable Comments: Not applicable	Objective evidence observed: Not applicable
Good Examples observed:	
Description of Good Example (GE): None observed	Objective evidence observed: Not applicable

3: Working Conditions are Safe and Hygienic
(Click here to return to NC-table) (Click here to return to Key Information)
<p align="center">ETI</p> <p>3.1 A safe and hygienic working environment shall be provided, bearing in mind the prevailing knowledge of the industry and of any specific hazards. Adequate steps shall be taken to prevent accidents and injury to health arising out of, associated with, or occurring in the course of work, by minimising, so far as is reasonably practicable, the causes of hazards inherent in the working environment.</p> <p>3.2 Workers shall receive regular and recorded Health & Safety training, and such training shall be repeated for new or reassigned workers.</p>



3.3 Access to clean toilet facilities and to potable water, and, if appropriate, sanitary facilities for food storage shall be provided.

3.4 Accommodation, where provided, shall be clean, safe, and meet the basic needs of the workers.

3.5 The company observing the code shall assign responsibility for Health & Safety to a senior management representative.

Current Systems and Evidence Examined

To complete 'current systems' Auditors examine policies and written procedures in conjunction with relevant managers, to understand, and record what controls and processes are currently in place e.g. record what policies are in place, what relevant procedures are carried out, who is/are responsible for the management of this item of the code. Evidence checked should detail any documentary or verbal evidence shown to support the systems.

Current systems: Factory's health and safety condition are favourable. The company has defined a detailed policy for health and safety. During site tour, it was noted that the workplace is neat, clean & tidy, working environment with respect to ventilation and lighting of the factory is acceptable. The company has provided training on health, safety, and hygiene. They also provided orientation training for the new workers and repeated training for the reassigned workers. Ms. AYESHA Siddika/ DGM- HR & Compliance to look after the health and safety issues. Adequate toilet facilities provided and segregated as per gender. Potable water was freely available in all areas and test certificates were up-to-date. There were at least 04 emergency exits from each work area and these were clearly marked and kept open. Firefighting equipment was adequate and equipment's checks were up-to-date. Evacuation plans were posted in all areas in the local language. An adequate number of first aid trained person and firefighter team is available in a factory. Fire drill was conducted in every two months by a designated fire safety officer. There is a medical room for employees' health care in this factory.

There were six non-compliances found in the area of "Working Conditions are Safe and Hygienic". For details please refer to the contents of Non-compliance.

Evidence examined – to support system description (Documents examined & relevant comments. Include renewal/expiry date where appropriate):

Details:

1. Health and safety policy
2. Health and safety committee meeting minutes
3. Training records and certificates
4. Fire drill records
5. Government licenses and checks on air quality and noise level
6. Trained first aider register
7. Accident & injury records
8. Health certificates for heavy machine operators.
09. Chemical list and MSDS for each chemical
10. Potable water testing certificates
11. Factory lay-out plan
12. Fire equipment maintenance records
13. Risk assessment records
14. On-site observation
15. Workers interview
16. Management interview

Any other comments: None



<p>A: Does the facility have general and occupational Health & Safety policies and procedures that are fit for purpose and are these communicated to workers?</p>	<p><input checked="" type="checkbox"/> Yes</p> <p><input type="checkbox"/> No</p> <p>Please give details: Factory had adopted health & safety policy which covers PPE, machine safety device, fire safety (fire extinguisher, firefighting equipment, hose pipe etc.), emergency pathway, evacuation drill, housekeeping, first aid, electrical safety etc. Last training conducted on April 24th, 2019.</p>
<p>B: Are the policies included in workers' manuals?</p>	<p><input checked="" type="checkbox"/> Yes</p> <p><input type="checkbox"/> No</p> <p>Please give details: The policies are included in worker's manual.</p>
<p>C: Are there any structural additions without required permits/inspections (e.g. floors added)?</p>	<p><input type="checkbox"/> Yes</p> <p><input checked="" type="checkbox"/> No</p> <p>Please give details: In view of facilities, the factory is made of 02 building which have approved building plan & layout plan from concern authority.</p>
<p>D: Are visitors to the site informed on H&S and provided with personal protective equipment</p>	<p><input checked="" type="checkbox"/> Yes</p> <p><input type="checkbox"/> No</p> <p>Please give details: The site kept dedicated PPE for visitors. While any visitor visits in the factory generally, they brief the visitor about H&S policy and provide PPE as and when required.</p>
<p>E: Is a medical room or medical facility provided for workers?</p> <p>If yes, do the room(s) meet legal requirements and is the size/number of rooms suitable for the number of workers.</p>	<p><input checked="" type="checkbox"/> Yes</p> <p><input type="checkbox"/> No</p> <p>Please give details: The company medical room complies the legal requirement.</p>
<p>F: Is there a doctor or nurse on site or there is easy access to first aider/ trained medical aid?</p>	<p><input type="checkbox"/> Yes</p> <p><input checked="" type="checkbox"/> No</p> <p>Please give details: There is 01 doctor, 02 Medical assistants and 01 nurses on site.</p>
<p>G: Where the facility provides worker transport - is it fit for purpose, safe, maintained and operated by competent persons e.g. buses and other vehicles?</p>	<p><input type="checkbox"/> Yes</p> <p><input checked="" type="checkbox"/> No</p> <p>Please give details: Factory did not provide transport facility to their workers.</p>



H: Is secure personal storage space provided for workers in their living space and is it fit for purpose?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No Please give details: Not applicable as factory did not provide living space to the workers.
I: Are H&S Risk assessments conducted (including evaluating the arrangements for workers doing overtime e.g. driving after a long shift) and are there controls to reduce identified risk?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No Please give details: H&S Risk assessment are conducted on regular basis by the H&S committee.
J: Is the site meeting its legal obligations on environmental requirements including required permits for use and disposal of natural resources?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No Please give details: The site had environment clearance certificate. Also, factory had conducted Environmental Assessment including air emission, temperature, noise level assessment, Humidity and light level test.
K: Is the site meeting its customer requirements on environmental standards, including the use of banned chemicals?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No Please give details: The site is complaint with the customer requirement in term of environment and factory does not use any banned chemicals.

Non-compliance:

1.Description of non-compliance:

☒ NC against ETI/Additional Elements ☒ NC against Local Law
☐ NC against customer code:

It was noted through facility visit and management interview that Childcare room and Medical room was not fully separate by any fence at upper portion.

Local law and/or ETI requirement:

In accordance with ETI base code 3.1: A safe and hygienic working environment shall be provided, bearing in mind the prevailing knowledge of the industry and of any specific hazards. Adequate steps shall be taken to prevent accidents and injury to health arising out of, associated with, or occurring in the course of work, by minimising, so far as is reasonably practicable, the causes of hazards inherent in the working environment.

And

In accordance with Bangladesh Labour Rules-2015, Rules-77 (02): The medical room must be separate from all other parts of the institute as much as possible and it must lie far off the sections of the institute that produces high level of sound and noise.

Recommended corrective action:

It is recommended that facility management should ensure fence to fully separate the childcare and medical room.

Action by: Ms. AYESHA Siddika/ DGM- HR & Compliance

Objective evidence observed:

(where relevant please add photo numbers)

1.Per facility tour and Management interview (NC photo no-01)



Timescale: 30 Days.

2.Description of non-compliance:

- ☒ NC against ETI/Additional Elements ☒ NC against Local Law
☐ NC against customer code:

It was observed through facility visit that no aisles marking found at jacquard distribution area at 5th floor of building 01. Also, aisles marking found faded in several areas throughout the factory like jacquard section at 7th floor and washing section at ground floor of building 01.

Local law and/or ETI requirement:

In accordance with ETI base code 3.1: A safe and hygienic working environment shall be provided, bearing in mind the prevailing knowledge of the industry and of any specific hazards. Adequate steps shall be taken to prevent accidents and injury to health arising out of, associated with, or occurring in the course of work, by minimising, so far as is reasonably practicable, the causes of hazards inherent in the working environment.

And

In accordance with Bangladesh Labour Law-2006 Section- 62 (4): In every factory every window, door, or other exit affording means of escape in case of fire, other than the means of exit in ordinary use, shall be distinctively marked in a language understood by the majority of the workers and in red letters of adequate size or by some other effective and clearly understood sign.

Recommended corrective action:

It is recommended that facility management should ensure properly aisles/ escape route in mentioned area in case of emergency.

Action by: Ms. AYSHA Siddika/ DGM- HR & Compliance

Timescale: 30 Days.

3.Description of non-compliance:

- ☒ NC against ETI/Additional Elements ☒ NC against Local Law
☐ NC against customer code:

During facility visit it was noted that Mobil and machine oil containers were stored without MSDS, Label and secondary containment in machine maintenance room at basement floor of building 01.

Local law and/or ETI requirement:

In accordance with ETI base code 3.1: A safe and hygienic working environment shall be provided, bearing in mind the prevailing knowledge of the industry and of any specific hazards. Adequate steps shall be taken to prevent accidents and injury to health arising out of, associated with, or occurring in the course of work, by minimising, so far as is reasonably practicable, the causes of hazards inherent in the working environment.

And

In accordance with Bangladesh Labour Rules-2015, Rules-68 (10): The owner shall place Material Safety Data Sheet (MSDS) of dangerous materials in an easily noticeable place so that the employed worker can be well informed about the possible hazards.

2.Facility tour
(NC photo no-2 &3)

3.Per facility tour
(NC photo no-04)



Recommended corrective action:

It is recommended that facility management should store all chemicals are properly.

Action by: Ms. AYSHA Siddika/ DGM- HR & Compliance

Timescale: 30 Days.

4.Description of non-compliance:

☒ NC against ETI/Additional Elements ☒ NC against Local Law

☐ NC against customer code:

It was noted through facility tour and management interview that exit sign was missing in jacquard distribution room located at building 01 (5th Floor).

Local law and/or ETI requirement:

In accordance with ETI base code 3.1: A safe and hygienic working environment shall be provided, bearing in mind the prevailing knowledge of the industry and of any specific hazards. Adequate steps shall be taken to prevent accidents and injury to health arising out of, associated with, or occurring in the course of work, by minimising, so far as is reasonably practicable, the causes of hazards inherent in the working environment.

And

In accordance with Bangladesh Labour Law, 2006, Section-62 (4): In every establishment every window, or other exit affording means of escape in case of fire, other than the means of exit in ordinary use, shall be distinctively marked in Bangla and in red letters of adequate size or by some other effective and clearly understood sign.

Recommended corrective action:

It is recommended that facility management should ensure exit sign to the mentioned area.

Action by: Ms. AYSHA Siddika/ DGM- HR & Compliance

Timescale: 30 Days.

5.Description of non-compliance:

☒ NC against ETI/Additional Elements ☒ NC against Local Law

☐ NC against customer code:

Based on document review, site tour and management interview noted that facility did not identify risk of finished goods store, maintenance section, child care room and medical room.

Local law and/or ETI requirement:

In accordance with ETI base code 3.1: A safe and hygienic working environment shall be provided, bearing in mind the prevailing knowledge of the industry and of any specific hazards. Adequate steps shall be taken to prevent accidents and injury to health arising out of, associated with, or occurring in the course of work, by minimising, so far as is reasonably practicable, the causes of hazards inherent in the working environment.

And

In accordance with Bangladesh Labour Rules, 2015, Schedule 4 (1) (b): To identify professional risks and deficiencies related to health and safety as per

4. Facility tour and Management interview (NC photo no-05)

5.Documents review and Management interview



check list prepared under this schedule and recommend to owner or authority necessary measures to remove them;

Recommended corrective action:

It is recommended that factory management should conduct risk assessment in the mentioned areas and take actions to eliminate the risks identified.

Action by: Ms. AYSHA Siddika/ DGM- HR & Compliance

Timescale: 30 Days.

6.Description of non-compliance:

☒ NC against ETI/Additional Elements ☒ NC against Local Law

☐ NC against customer code:

It was noted through facility tour, worker and management interview that facility provided ear plug to the operators of re-winding machine but 05 out of 05 operators were not using ear plug while working.

Local law and/or ETI requirement:

In accordance with ETI base code 3.1: A safe and hygienic working environment shall be provided, bearing in mind the prevailing knowledge of the industry and of any specific hazards. Adequate steps shall be taken to prevent accidents and injury to health arising out of, associated with, or occurring in the course of work, by minimising, so far as is reasonably practicable, the causes of hazards inherent in the working environment.

And

In accordance with Bangladesh Labour Rules 2015, Rules- 67: 2) In addition to the arrangement of safety and health protection measures mentioned in Sub-section (1), the concerned manufacturing institute must provide necessary equipments, including safety shoes, helmets, goggles, masks, hand gloves, ear muffs, ear plugs, waist belts, aprons etc. and arrange training programs for the workers in using these materials and ensure their usage. 3) No worker can be employed in the relevant works without ensuring safety and health protection measures and the training related therewith. In addition, personal safety equipments must be preserved in accordance with Information Form-23.

Recommended corrective action:

It is recommended that facility management should ensure all the workers are using appropriate PPE during work.

Action by: Ms. AYSHA Siddika/ DGM- HR & Compliance

Timescale: 30 Days

6. Facility tour, worker and Management interview
(NC photo no-06)

Observation:

Description of observation:

None observed

Local law or ETI requirement:

Not applicable

Objective evidence

observed:

Not applicable



Comments: Not applicable	
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Good Examples observed:	
Description of Good Example (GE): None observed	Objective Evidence Observed: Not applicable

4: Child Labour Shall Not Be Used (Click here to return to NC-table) (Click here to return to Key Information)
<p style="text-align: center;">ETI</p> <p>4.1 There shall be no new recruitment of child labour.</p> <p>4.2 Companies shall develop or participate in and contribute to policies and programmes which provide for the transition of any child found to be performing child labour to enable her or him to attend and remain in quality education until no longer a child.</p> <p>4.3 Children and young persons under 18 shall not be employed at night or in hazardous conditions.</p> <p>4.4 These policies and procedures shall conform to the provisions of the relevant ILO Standards.</p>

<p style="text-align: center;">Current Systems and Evidence Examined</p> <p><i>To complete 'current systems' Auditors examine policies and written procedures in conjunction with relevant managers, to understand, and record what controls and processes are currently in place e.g. record what policies are in place, what relevant procedures are carried out, who is/are responsible for the management of this item of the code. Evidence checked should detail any documentary or verbal evidence shown to support the systems.</i></p>
<p>Current systems: Company has well defined policy for child labour conforming local law and ILO standards which describes not to engage underage workers. During the audit, no child or young worker has been identified or suspected. Factory checks the age of the potential worker before recruitment through the age proof records and cross check by the registered doctor. National ID, Birth registration, national level examination certificate etc. are taken as age record. Company verifies National ID online at website of government issuing authority. Management maintains age related documents in the workers' personnel files. From the establishment of the company no child labour found or recorded. Nothing reported about historical child labour by the interviewed workers.</p> <p>Evidence examined – to support system description (Documents examined & relevant comments. Include renewal/expiry date where appropriate):</p> <p>Details:</p> <ol style="list-style-type: none"> 1.The procedure of <Recruiting regulation> was available for review, the personnel files with ID or birth certificate copy were available for review, the contracts with all the employees were available for audit, and the roster had established by the factory. 2. Document review 3. Management interview 4. Worker interview 5. On-site observation during floor visit <p>Any other comments: None</p>



A: Legal age of employment:	14+ years with significant restriction.
B: Age of youngest worker found:	Above 18 years.
C: Are there children present on the work floor but not working at the time of audit?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
D: % of under 18's at this site (of total workers)	0 %
E: Are workers under 18 subject to hazardous work assignments? (Go to clause 3 – Health and Safety)	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No If yes, please give details

Non-compliance:	
1. Description of non-compliance: <input type="checkbox"/> NC against ETI <input type="checkbox"/> NC against Local Law <input type="checkbox"/> NC against customer code: None observed Local law and/or ETI requirement: Not applicable Recommended corrective action: Not applicable	Objective evidence observed: <i>(where relevant please add photo numbers)</i> Not applicable

Observation:	
Description of observation: None observed Local law or ETI requirement: Not applicable Comments: Not applicable	Objective evidence observed: Not applicable

Good Examples observed:	
Description of Good Example (GE): None observed	Objective Evidence Observed: Not applicable



5: Living Wages are Paid

[\(Click here to return to NC-table\)](#)

[\(Click here to return to Key information\)](#)

ETI

5.1 Wages and benefits paid for a standard working week meet, at a minimum, national legal standards or industry benchmark standards, whichever is higher. In any event wages should always be enough to meet basic needs and to provide some discretionary income.

5.2 All workers shall be provided with written and understandable information about their employment conditions in respect to wages before they enter employment and about the particulars of their wages for the pay period concerned each time that they are paid.

5.3 Deductions from wages as a disciplinary measure shall not be permitted nor shall any deductions from wages not provided for by national law be permitted without the expressed permission of the worker concerned. All disciplinary measures should be recorded.

Current Systems and Evidence Examined

To complete 'current systems' Auditors examine policies and written procedures in conjunction with relevant managers, to understand, and record what controls and processes are currently in place e.g. record what policies are in place, what relevant procedures are carried out, who is/are responsible for the management of this item of the code. Evidence checked should detail any documentary or verbal evidence shown to support the systems.

Current systems: Factory has compensation and benefits policy for their employees. Based on document review, workers and management interview, it was found that factory provides all kinds of compensation and benefits to the workers. Overtime wage double to basic as required by local law. The factory pays wages to the workers within 7th working days of the following pay period. Factory gives monthly wage slips to employees. Employees who can't read, counsellors, educate them regarding wage and OT calculation wherein all deduction has been mentioned. No illegal deduction (e.g. employment broker fees, fines etc.) or withholdings are made from wages.

The Government has announced the pay structure, which was implemented from 1st December 2018 for the workers of the Garments Industries. The amended Gazette Notification has been published on January 24th, 2019. Based on the Gazette Notification, the actual lowest minimum wage in the facility is BDT 8000 per month.

According to the documents which were provided by the HR & accounts department and during the worker's interview, it was noted that factory provides all kinds of leave. Maternity leave and earn leave including benefits are provided to the employees as per law. Moreover, employees were allowed to take 14 days' sick leave; 10 days casual leave according to law and festival leave. The factory provided social group insurance.

Evidence examined – to support system description (Documents examined & relevant comments. Include renewal/expiry date where appropriate):

Details:

1. Document review
2. Worker interview
3. Management interview
4. Local and national laws
5. Wages and benefits policy
6. Local legal minimum wage documents
7. Payroll records from 1st April 2018 to audit day.
8. Leave records
9. Social group insurance and payment receipts from the local labour department
10. Labour contracts for all employees



11. Resignation records
12. Payslips of all workers interviewed
13. Overtime records

Any other comments: Nil

Non-compliance:

1. Description of non-compliance:

☐ NC against ETI ☐ NC against Local Law ☐ NC against customer code:

None observed

Local law and/or ETI requirement:

Not applicable

Recommended corrective action:

Not applicable

Objective evidence observed:

(where relevant please add photo numbers)

Not applicable

Observation:

Description of observation:

None observed

Local law or ETI requirement:

Not applicable

Comments:

Not applicable

Objective evidence observed:

Not applicable

Good Examples observed:

Description of Good Example (GE):

1. The factory provides attendance bonus BDT. 300 for all workers.
2. The factory provides nutrition allowance BDT. 600 for all pregnant and new mothers up to child age 02.
3. The factory provides production bonus for all piece rate workers as per company policy.

Objective Evidence Observed:

1. Payroll record review and worker interview
2. Payroll record review and worker interview
3. Management interview and Document review



Summary Information

Criteria	Local Law (Please state legal requirement)	Actual at the Site (Record site results against the law)	Is this part of a Collective Bargaining Agreement?
A: Standard/Contracted work hours: (Maximum legal and actual required working hours excluding overtime, please state if possible per day, week, and month)	Legal maximum: 08 hours per day 48 hours per week 208 hours per month	Site minimum: 08 hours per day 48 hours per week 208 hours per month	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
B: Overtime hours: (Maximum legal and actual overtime hours, please state if possible per day, week, and month)	Legal maximum: 2 hours/ day and 12 hour/ week 52 hour/ month	Site minimum: 02 hours per day 12 hours per week 50 hour/ month	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
C: wage for standard/contracted hours: (Minimum legal and actual minimum wage at site, please state if possible per hr, day, week, and month)	Legal minimum: Grade-1: 18257 BDT/Month Grade-2: 15416 BDT/Month Grade-3: 9845 BDT/Month Grade-4: 9347 BDT/Month Grade-5: 8875 BDT/Month Grade-6: 8420 BDT/Month Grade-7: 8000 BDT/Month Trainee / Apprentice: 5975 BDT/Month	Site minimum: Grade-1: 18257 BDT/Month Grade-2: 15416 BDT/Month Grade-3: 9845 BDT/Month Grade-4: 9347 BDT/Month Grade-5: 8875 BDT/Month Grade-6: 8420 BDT/Month Grade-7: 8000 BDT/Month Trainee / Apprentice: 5975 BDT/Month	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
D: overtime wage: (Minimum legal and actual minimum overtime wage at site, please state if possible per hr, day, week, and month)	Legal minimum: 200% of basic wage	200% of basic wage	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No

Wages analysis: (Click here to return to Key Information)	
A: Were accurate records shown at the first request?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No



If No , why not?	Not Applicable																																																																																																										
B: Sample Size Checked <i>(State number of worker records checked and from which weeks/months – should be current, peak, and random/low. Please see SMETA Best Practice Guidance and Measurement Criteria)</i>	62 samples for the month of August– 2018 (Randomly selected month) 62 samples for the month of December – 2018 (Randomly selected month) 62 samples for the month of March– 2019 (Current month).																																																																																																										
C: Are there different legal minimum wage grades? If Yes, please specify all.	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	<p>If Yes, please give details: The Government has announced the pay structure, which was implemented from 1st December 2018 for the workers of the Garments Industries. The amended Gazette Notification has been published on 24th January, 2019.</p> <p>There are two separate pay structures; for the garment workers (Schedule A) 1. For the workers (Schedule A):</p> <table border="1" data-bbox="597 758 1451 1171"> <thead> <tr> <th>Grade</th><th>Monthly basic wage</th><th>House rent 50% of the basic</th><th>Medical allowance</th><th>Conveyance allowance</th><th>Food subsidy</th><th>Gross monthly wage</th></tr> </thead> <tbody> <tr> <td>Grade 1</td><td>Tk. 10938</td><td>Tk. 5469</td><td>Tk.600</td><td>Tk.350</td><td>Tk.900</td><td>Tk. 18257</td></tr> <tr> <td>Grade 2</td><td>Tk. 9044</td><td>Tk. 4522</td><td>Tk.600</td><td>Tk.350</td><td>Tk.900</td><td>Tk. 15416</td></tr> <tr> <td>Grade 3</td><td>Tk. 5330</td><td>Tk. 2665</td><td>Tk.600</td><td>Tk.350</td><td>Tk.900</td><td>Tk. 9845</td></tr> <tr> <td>Grade 4</td><td>Tk. 4998</td><td>Tk. 2499</td><td>Tk.600</td><td>Tk.350</td><td>Tk.900</td><td>Tk. 9347</td></tr> <tr> <td>Grade 5</td><td>Tk. 4683</td><td>Tk. 2342</td><td>Tk.600</td><td>Tk.350</td><td>Tk.900</td><td>Tk. 8875</td></tr> <tr> <td>Grade 6</td><td>Tk. 4380</td><td>Tk. 2190</td><td>Tk.600</td><td>Tk.350</td><td>Tk.900</td><td>Tk. 8420</td></tr> <tr> <td>Grade 7</td><td>Tk. 4100</td><td>Tk. 2050</td><td>Tk.600</td><td>Tk.350</td><td>Tk.900</td><td>Tk. 8000</td></tr> <tr> <td>Apprentice</td><td></td><td></td><td></td><td></td><td></td><td>Tk. 5975</td></tr> </tbody> </table> <p>2. For the staff level (Schedule B) employees:</p> <table border="1" data-bbox="597 1230 1409 1549"> <thead> <tr> <th>Grade</th><th>Monthly basic wage</th><th>House rent 50% of the basic</th><th>Medical allowance</th><th>Conveyance allowance</th><th>Food subsidy</th><th>Gross monthly wage</th></tr> </thead> <tbody> <tr> <td>Grade 1</td><td>Tk.8150</td><td>Tk.4075</td><td>Tk.600</td><td>Tk.350</td><td>Tk.900</td><td>Tk. 14075</td></tr> <tr> <td>Grade 2</td><td>Tk.6300</td><td>Tk.3150</td><td>Tk.600</td><td>Tk.350</td><td>Tk.900</td><td>Tk. 11300</td></tr> <tr> <td>Grade 3</td><td>Tk.5950</td><td>Tk.2975</td><td>Tk.600</td><td>Tk.350</td><td>Tk.900</td><td>Tk. 10775</td></tr> <tr> <td>Grade 4</td><td>Tk.4350</td><td>Tk.2175</td><td>Tk.600</td><td>Tk.350</td><td>Tk.900</td><td>Tk. 8375</td></tr> <tr> <td>Apprentice</td><td></td><td></td><td></td><td></td><td></td><td>Tk. 6164</td></tr> </tbody> </table>	Grade	Monthly basic wage	House rent 50% of the basic	Medical allowance	Conveyance allowance	Food subsidy	Gross monthly wage	Grade 1	Tk. 10938	Tk. 5469	Tk.600	Tk.350	Tk.900	Tk. 18257	Grade 2	Tk. 9044	Tk. 4522	Tk.600	Tk.350	Tk.900	Tk. 15416	Grade 3	Tk. 5330	Tk. 2665	Tk.600	Tk.350	Tk.900	Tk. 9845	Grade 4	Tk. 4998	Tk. 2499	Tk.600	Tk.350	Tk.900	Tk. 9347	Grade 5	Tk. 4683	Tk. 2342	Tk.600	Tk.350	Tk.900	Tk. 8875	Grade 6	Tk. 4380	Tk. 2190	Tk.600	Tk.350	Tk.900	Tk. 8420	Grade 7	Tk. 4100	Tk. 2050	Tk.600	Tk.350	Tk.900	Tk. 8000	Apprentice						Tk. 5975	Grade	Monthly basic wage	House rent 50% of the basic	Medical allowance	Conveyance allowance	Food subsidy	Gross monthly wage	Grade 1	Tk.8150	Tk.4075	Tk.600	Tk.350	Tk.900	Tk. 14075	Grade 2	Tk.6300	Tk.3150	Tk.600	Tk.350	Tk.900	Tk. 11300	Grade 3	Tk.5950	Tk.2975	Tk.600	Tk.350	Tk.900	Tk. 10775	Grade 4	Tk.4350	Tk.2175	Tk.600	Tk.350	Tk.900	Tk. 8375	Apprentice						Tk. 6164
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D: If there are different legal minimum grades, are all workers graded and paid correctly?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A	If No , please give details: Not applicable																																																																																																									
E: For the lowest paid production workers, are wages paid for standard/contracted hours (excluding	<input type="checkbox"/> Below legal min	Lowest actual wages found: The actual lowest minimum wage in the facility was BDT. 8000 per month. This is government declaring legal minimum wage.																																																																																																									

overtime) below or above the legal minimum?	<input checked="" type="checkbox"/> Meet <input checked="" type="checkbox"/> Above					
F: Please indicate the breakdown of workforce per earnings:		__0__% of workforce earning under min wage __93__% of workforce earning min wage __07__% of workforce earning above min wage				
F: Bonus scheme found: Please specify details:	Bonus Scheme found: 1. Two festival bonus equivalents to one basic during Eid Ul Fitr, and Eid Ul Azha.					
H: What deductions are required by law e.g. social insurance? Please state all types:	As per section 125 of the Bangladesh Labour Law, 2006, factory may deduct wages for un-authorized absence, for fines, housing facility, advance payments, loans, income tax, provident fund, etc. However, factory is deducting only for un-authorized absence and revenue stamp.					
I: Have these deductions been made? Please list all deductions that have/have not been made.	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	<table border="1"> <tr> <td>Please list all deductions that have been made.</td> <td>Please describe: 1. Absent deduction in case of worker is absent as per law. 2. Deduction for revenue stamp as per law.</td> </tr> <tr> <td>Please list all deductions that have not been made.</td> <td>Please describe: 1. Social group insurance</td> </tr> </table>	Please list all deductions that have been made.	Please describe: 1. Absent deduction in case of worker is absent as per law. 2. Deduction for revenue stamp as per law.	Please list all deductions that have not been made.	Please describe: 1. Social group insurance
Please list all deductions that have been made.	Please describe: 1. Absent deduction in case of worker is absent as per law. 2. Deduction for revenue stamp as per law.					
Please list all deductions that have not been made.	Please describe: 1. Social group insurance					
J: Were appropriate records available to verify hours of work and wages?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No					
K: Were any inconsistencies found? (if yes describe nature)	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No <div style="display: inline-block; vertical-align: top; margin-left: 20px;"> <input type="checkbox"/> Poor record keeping <input type="checkbox"/> Isolated incident <input type="checkbox"/> Repeated occurrence: </div>					
L: Do records reflect all time worked? (For instance, are workers asked to attend meetings before or after work but not paid for their time)	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No Please give details: Factory had provided accurate and complete payroll & attendance records to the auditors for review where all working hours were recorded.					
M: Is there a defined living wage: <i>This is <u>not normally</u> minimum legal wage. If answered yes, please state amount and source of info:</i>	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No Please specify amount/time: Factory did not define living wages as it is not required by law.					



Please see SMETA Best Practice Guidance and Measurement Criteria.	
If yes, what was the calculation method used.	<input type="checkbox"/> ISEAL/Anker Benchmarks <input type="checkbox"/> Asia Floor Wage <input type="checkbox"/> Figures provided by Unions <input type="checkbox"/> Living Wage Foundation UK <input type="checkbox"/> Fair Wear Wage Ladder <input type="checkbox"/> Fairtrade Foundation Other – please give details: Not applicable
N: Are there periodic reviews of wages? If Yes give details (include whether there is consideration to basic needs of workers plus discretionary income).	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No Please give details: Factory review wages yearly. At least 5% of basic wages shall be increased.
O: Are workers paid in a timely manner in line with local law?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No The factory pays wages to the workers within 7th working days of the following pay period.
P: Is there evidence that equal rates are being paid for equal work:	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No Please give details: Male workers of same grade receive same as female workers doing the same job.
Q: How are workers paid:	<input type="checkbox"/> Cash <input type="checkbox"/> Cheque <input checked="" type="checkbox"/> Bank Transfer <input type="checkbox"/> Other If other, please explain:



6: Working Hours are not Excessive

[\(Click here to return to NC-table\)](#)

[\(Click here to return to Key Information\)](#)

ETI

6.1 Working hours must comply with national laws, collective agreements, and the provisions of 6.2 to 6.6 below, whichever affords the greater protection for workers. Sub-clauses 6.2 to 6.6 are based on international labour standards.

6.2 Working hours, excluding overtime, shall be defined by contract, and shall not exceed 48 hours per week.

6.3 All overtime shall be voluntary. Overtime shall be used responsibly, taking into account all the following: the extent, frequency and hours worked by individual workers and the workforce as a whole. It shall not be used to replace regular employment. Overtime shall always be compensated at a premium rate, which is recommended to be not less than 125% of the regular rate of pay.

6.4 The total hours worked in any 7-day period shall not exceed 60 hours, except where covered by clause 6.5 below.

6.5 Working hours may exceed 60 hours in any 7-day period only in exceptional circumstances where **all** of the following are met:

- this is allowed by national law;
- this is allowed by a collective agreement freely negotiated with a workers' organisation representing a significant portion of the workforce;
- appropriate safeguards are taken to protect the workers' health and safety; and
- The employer can demonstrate that exceptional circumstances apply such as unexpected production peaks, accidents or emergencies.

6.6 Workers shall be provided with at least one day off in every 7-day period or, where allowed by national law, 2 days off in every 14-day period.

Current Systems and Evidence Examined

To complete 'current systems' Auditors examine policies and written procedures in conjunction with relevant managers, to understand, and record what controls and processes are currently in place e.g. record what policies are in place, what relevant procedures are carried out, who is/are responsible for the management of this item of the code. Evidence checked should detail any documentary or verbal evidence shown to support the systems.

Current systems: Factory has a policy to follow the working hours as per law. According to the documents provided by the factory, it was noted that factory provided sufficient rest days to the employees and overtime is voluntary.

The factory provided hour records and wages records from 1st April, 2018 to the audit day. Attendance and work timings (including OT) record was maintained by punched card system.

According to time records and worker interview basic working hours were 8 hours per day and a max 48 hours per week. OT was 02 hours per day and maximum 12 hours per week found in March, 2019 (recent month).

The employee works for 06 days in a week (Saturday to Thursday) and Friday is weekly holiday. The working hours in the factory were from 08:00 to 17:00 with 60 minutes break from 13:00 to 14:00 except knitting (Jacquard) section. Working hour for knitting (Jacquard) section were in 2 shifts as follows: Shift-A: - from 08:00 to 17:00 with 60 minutes break from 13:00 to 14:00 and Shift B: - from 20:00 to 05:00 with 60 minutes break from 01:00 to 02:00. Only security has three shifts per eight hours each with rostering schedule of break & weekend.

Evidence examined – to support system description (Documents examined & relevant comments. Include renewal/expiry date where appropriate):



Details:

1. Employee interview
2. Management interview
3. Local and national laws
4. Factory policy on working hours
5. Attendance and wages records from 1st April, 2018 to the audit day
6. Electronic time card system
7. Sample pay slips with recorded hours all workers interviewed
8. Quality and production records to cross check hours
9. Workers contracts

Any other comments: None

Non-compliance:

1. Description of non-compliance:

☐ NC against ETI ☐ NC against Local Law ☐ NC against customer code:

None observed

Local law and/or ETI requirement:

Not applicable

Recommended corrective action:

Not applicable

Objective evidence observed:

(where relevant please add photo numbers)

Not applicable

Observation:

Description of observation:

None observed

Local law or ETI requirement:

Not applicable

Comments:

Not applicable

Objective evidence observed:

Not applicable

Good Examples observed:

Description of Good Example (GE):

None observed

Objective Evidence Observed:

Not applicable

Working hours' analysis

Please include time e.g. hour/week/month
[\(Go back to Key information\)](#)

Systems & Processes



A. What timekeeping systems are used: time card etc.	<i>Describe:</i> Attendance and work timings (including OT) record was maintained by punched card system.				
B: <i>Is sample size same as in wages section?</i>	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <i>If no, please give details</i>				
C: Are standard/contracted working hours defined in all contracts/employment agreements?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	<i>If NO, please give details including % and which type of workers do NOT have standard hours defined in contracts/employment agreements. Please give details:</i>			
D: Are there any other types of contracts/employment agreements used?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	<i>If YES, please complete as appropriate:</i>			
		<input type="checkbox"/> 0 hrs	<input type="checkbox"/> Part time	<input type="checkbox"/> Variable hrs	<input type="checkbox"/> Other
		<i>If "Other", Please define:</i>			
		<i>Not applicable</i>			
E. Do any standard/contracted working hours defined in contracts/employment agreements exceed 48 hours per week?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	<i>If yes, please detail hours, %, types of workers affected and frequency</i> Please give details: Not applicable			
F: Are workers provided with at least 1 day off in every 7-day-period, or 2 in 14-day-period?	Please select all applicable: <input checked="" type="checkbox"/> 1 in 7 days <input type="checkbox"/> 2 in 14 days <input type="checkbox"/> No <i>If 'No', please explain:</i>		Is this allowed by local law? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No		
	<i>Maximum number of days worked without a day off (in sample):</i>				
	The factory worked maximum 6 days in a week without a day off for an employee.				
Standard/Contracted Hours worked					
G: Were standard working hours over 48 hours per week found?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	<i>If yes, % of workers & frequency:</i>			
		<i>Not applicable</i>			



H: Any local waivers/local law or permissions which allow averaging/annualised hours for this site?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	<i>If yes, please give details: Not applicable</i>
Overtime Hours worked		
I: Actual overtime hours worked in sample (State per day/week/month)	Highest OT hours: 52 hours/Day 12 hours /week. 50 hours/ month	46 hours month in August, 2018 (Sample month) 50 hours month in December, 2018 (sample month) 50 hours month in April, 2019 (Current month)
J: Combined hours (standard or contracted + overtime hours = total) over 60 found? Please give details:	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No Maximum work in a week 60 hours (regular 48 hours and overtime 12 hours)	
K: Approximate percentage of total workers on highest overtime hours:	___ 5 ___ %	
L: Is overtime voluntary?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> Conflicting Information	<i>Please detail evidence e.g. Wording of contract / employment agreement / handbook / worker interviews / refusal arrangements:</i> Based on the factory policy, rules and regulations, and training records, employee handbook and workers and management interview it was noted that the overtime is voluntary in this factory.
Overtime Premiums		
M: Are the correct legal overtime premiums paid?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A – there is no legal requirement to OT premium	<i>Please give details of normal day overtime premium as a % of <u>standard</u> wages:</i> 200% of basic wages as overtime rate.
N: Is overtime paid at a premium?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	<i>If yes, please describe % of workers & frequency:</i> Double of basic.
O: If the site pays less than 125% OT premium and this is allowed under local law, are there other	<input type="checkbox"/> No <input type="checkbox"/> Consolidated pay (May be standard wages above minimum legal wage, with no/low overtime premium) <input type="checkbox"/> Collective Bargaining agreements <input type="checkbox"/> Other Not applicable	



considerations? Please complete the boxes where relevant.	Please explain any checked boxes above e.g. detail of consolidated pay / CBA or Other Not applicable
P: If more than 60 total hours per week and this is legally allowed, are there other considerations? Please complete the boxes where relevant.	<div> <input checked="" type="checkbox"/> Overtime is voluntary <input type="checkbox"/> Onsite Collective bargaining allows 60+ hours/week <input type="checkbox"/> Safeguards are in place to protect worker's health and safety <input type="checkbox"/> Site can demonstrate exceptional circumstances <input type="checkbox"/> Other reasons (please specify) </div> <div> Please explain any checked boxes above e.g. detail of consolidated pay / CBA or other: </div> <div> Based on the provided attendance records of 186 numbers of attendance and payroll records (62 from August, 2018, 62 from December, 2018 & 62 from April, 2019), the auditors found maximum working hours as 08 hours/day, 48 hours/week. All employees found working voluntarily during audit in the factory. </div>
Q: Is there evidence that overtime hours are being used for extended periods to make up for labour shortages or increased order volumes?	<div> <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No If yes, please give details: </div>
R: If sufficient workers cannot be hired, are new working time arrangements explored to ensure that overtime is the exception rather than the rule.	<div> <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No </div>

7: No Discrimination is Practiced

[\(Click here to return to NC-table\)](#)

ETI

7.1 There is no discrimination in hiring, compensation, access to training, promotion, termination or retirement based on race, caste, national origin, religion, age, disability, gender, marital status, sexual orientation, union membership or political affiliation.



Current Systems and Evidence Examined

To complete 'current systems' Auditors examine policies and written procedures in conjunction with relevant managers, to understand, and record what controls and processes are currently in place e.g. record what policies are in place, what relevant procedures are carried out, who is/are responsible for the management of this item of the code. Evidence checked should detail any documentary or verbal evidence shown to support the systems.

Current systems: Discrimination policy has been established and posted in workplace and described in the employee contracts. As informed by interviewed workers, most employees spoke highly of the factory owner. No worker was required to do the examination of the hepatitis B virus and HIV. Based on site tour and employee interviews, no segregation of workers is due to accepted cultural norms and that equal opportunities still apply across all groups. Anti-discrimination procedure on hiring, compensation, promotion and access to training is available during the audit. Gender divisions did not exist in the factory; both female and male workers were distributed in all types of work. There was an internal grievance process. There was no evidence of sexual harassment.

Evidence examined – to support system description (Documents examined & relevant comments. Include renewal/expiry date where appropriate):

Details:

1. The hiring and termination procedure, leave application records and employee handbook.
2. Payroll
3. Attendance records
4. Termination records
5. Training records
6. Employment contracts were provided for review and they showed that male and female employees were on the same pay grade.
7. Management interview and employee interview

Any other comments: None

A: Gender breakdown of Management + Supervisors (Include as one combined group)	Male: __95__ % Female __05__ %
B: Number of women who are in skilled or technical roles e.g. where specific qualifications are needed i.e. machine engineer / laboratory analyst:	#: 0
C: Is there any evidence of discrimination based on race, caste, national origin, religion, age, disability, gender, marital status, sexual orientation, union membership or political affiliation?:	<input type="checkbox"/> Hiring <input type="checkbox"/> Compensation <input type="checkbox"/> access to training <input type="checkbox"/> promotion <input type="checkbox"/> termination or retirement No, there is no evidence of discrimination based on race, caste, national origin, religion, age, disability, gender, marital status, sexual orientation, union membership or political affiliation.

Professional Development



A: What type of training and development are available for workers?	All workers are given H&S training, different types of machine operation and quality assurance training.
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B: Are HR decisions e.g. promotion, training, compensation based on objective, transparent criteria?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No If no, please give details: Not applicable
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Non-compliance:	
1. Description of non-compliance: <input type="checkbox"/> NC against ETI <input type="checkbox"/> NC against Local Law <input type="checkbox"/> NC against customer code: None observed Local law and/or ETI requirement: Not applicable Recommended corrective action: Not applicable	Objective evidence observed: <i>(where relevant please add photo numbers)</i> Not applicable

Observation:	
Description of observation: None observed Local law or ETI requirement: Not applicable Comments: Not applicable	Objective evidence observed: Not applicable

Good Examples observed:	
Description of Good Example (GE): None observed	Objective Evidence Observed: Not applicable

8: Regular Employment Is Provided (Click here to return to NC-table) (Click here to return to Key Information)
ETI



8.1 To every extent possible work performed must be on the basis of recognised employment relationship established through national law and practice.

8.2 Obligations to employees under labour or social security laws and regulations arising from the regular employment relationship shall not be avoided through the use of labour-only contracting, sub-contracting, or home-working arrangements, or through apprenticeship schemes where there is no real intent to impart skills or provide regular employment, nor shall any such obligations be avoided through the excessive use of fixed-term contracts of employment.

Additional Elements: Responsible Recruitment

8.3 Suppliers have full understanding of the entire recruitment process and assess all labour recruiters and intermediaries against legal and/or ethical requirements.

8.4 There are effective management systems in place to identify and monitor the hiring and management of all migrant workers, contract workers, agency workers, temporary or casual labour. The supplier shall implement processes to enable adequate control over agencies with regards the above points and related legislation.

8.5 Employment agencies must only supply workers registered with them.

8.6 Workers pay no recruitment fee at any stage of the recruitment process.

8.7 Worker contracts accurately reflect the agreed payment and terms in the recruitment process and are understood and signed by workers.

Current Systems and Evidence Examined

To complete 'current systems' Auditors examine policies and written procedures in conjunction with relevant managers, to understand, and record what controls and processes are currently in place e.g. record what policies are in place, what relevant procedures are carried out, who is/are responsible for the management of this item of the code. Evidence checked should detail any documentary or verbal evidence shown to support the systems.

Current systems:

Factory maintains personal files with details of all employees. Workers are provided appointment letter, the copy of which was found in workers personal file. Workers are provided with an identity card as proof of employment. Factory has policy to provide all kinds of compensation and benefits to the employees. If any employees want to leave the job, he or she may leave giving 60 days' notice prior to leave as per law. All employees were recruited by the factory directly. No labour agency was used to hire workers. No temporary worker, apprenticeship schemes or home worker was identified by the auditor. There are no wages withholding practice observed in the factory.

Evidence examined – to support system description (Documents examined & relevant comments. Include renewal/expiry date where appropriate):

Details:

1. Factory policy, rules and regulations, employees' personnel files, employees' ID card, pay slips etc.
2. Management interview and employee interview
3. The hiring and termination records.
4. Worker interview

Any other comments: None

Non-compliance:



<p>1. Description of non-compliance: <input checked="" type="checkbox"/> NC against ETI <input checked="" type="checkbox"/> NC against Local Law <input type="checkbox"/> NC against customer code: It was noted through document review and management interview that approximately 15% worker's service book in part -3 & 4 wages information and leave record not updated.</p> <p>In accordance with Bangladesh labour rules 2015, Rules 20 (2- c &d) 2- c: Third Part: Service record, information on the wages and allowances (page 6-9) & Fourth Part: Description of the leave enjoyed (page 10-13) 2-d: Fourth Part: Description of the leave enjoyed (page 10-13). In accordance with Bangladesh labour rules 2015, Rules 21(1): The owner will write down the necessary information of the worker in the service book within one month from the day of making permanent.</p> <p>Recommended corrective action: It is recommended that the factory should update all the section of the workers service book.</p> <p>Action by: Ms. AYSHA Siddika/ DGM- HR & Compliance</p> <p>Timescale: 30 Days.</p>	<p>Objective evidence observed: <i>(where relevant please add photo numbers)</i></p> <p>1.Documents review and Management interview</p>
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Observation:	
<p>Description of observation: None observed</p> <p>Local law or ETI requirement: Not applicable</p> <p>Comments: Not applicable</p>	<p>Objective evidence observed: Not applicable</p>

Good Examples observed:	
<p>Description of Good Example (GE): None observed</p>	<p>Objective Evidence Observed: Not applicable</p>

Responsible Recruitment

All Workers	
<p>A: Were all workers presented with terms of employment at the time of recruitment, did they understand them and are they same as current conditions?</p>	<p><input checked="" type="checkbox"/> Terms & Conditions presented <input checked="" type="checkbox"/> Understood by workers <input checked="" type="checkbox"/> Same as actual conditions</p> <p>If any are unchecked, please describe finding and specific category(ies) of workers affected: Not applicable</p>



B: Did workers pay any fees, taxes, deposits or bonds for the purpose of recruitment/placement?	<input type="checkbox"/> Yes <input type="checkbox"/> No If yes, please describe details and specific category(ies) of workers affected:
C: If yes, check all that apply:	<input type="checkbox"/> Recruitment / hiring fees <input type="checkbox"/> Service fees <input type="checkbox"/> Application costs <input type="checkbox"/> Recommendation fees <input type="checkbox"/> Placement fees <input type="checkbox"/> Administrative, overhead or processing fees <input type="checkbox"/> Skills tests <input type="checkbox"/> Certifications <input type="checkbox"/> Medical screenings <input type="checkbox"/> Passports/ID's <input type="checkbox"/> Work / resident permits <input type="checkbox"/> Birth certificates <input type="checkbox"/> Police clearance fees <input type="checkbox"/> Any transportation and lodging costs after employment offer <input type="checkbox"/> Any transport costs between work place and home <input type="checkbox"/> Any relocation costs after commencement of employment <input type="checkbox"/> New hire training / orientation fees <input type="checkbox"/> Medical exam fees <input type="checkbox"/> Deposit bonds or other deposits <input type="checkbox"/> Any other non-monetary assets <input type="checkbox"/> Other – please give details Not applicable
D: If any checked, give details:	Not applicable

Migrant Workers: <i>The term "migrant worker" refers to a person who is engaged or has been engaged in a remunerated activity in a country of which they are not a national and where they do not intend to remain permanently or has purposely migrated on a temporary basis to another in-country region to seek and engage in a remunerated activity</i>		
A: Type of work undertaken by migrant workers:	Not applicable as no migrant worker found in this factory.	
B: Migrant worker recruitment	Total number of (in country recruitment agencies) used: Total number of (outside of local country) recruitment agencies used- Not applicable as factory had recruited all workers directly.	
C: Are migrant workers' voluntary deductions (such as for remittances) confirmed in writing by the worker and is evidence of the transaction supplied by the facility to the worker?	<input type="checkbox"/> Yes <input type="checkbox"/> No Please describe finding: Not applicable	Observations: Not applicable
D: Are any migrant workers in skilled, technical, or management roles	<input type="checkbox"/> Yes <input type="checkbox"/> No Not applicable If yes number and example of roles: Not applicable	



<i>Migrant Workers (this should include all migrant workers including permanent workers, temporary and/or seasonal workers)</i>	
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NON-EMPLOYEE WORKERS

Recruitment Fees:	
A: Are there any fees?	<input type="checkbox"/> Yes <input type="checkbox"/> No Not applicable
B: If yes, check all that apply:	<input type="checkbox"/> Recruitment / hiring fees <input type="checkbox"/> Service fees <input type="checkbox"/> Application costs <input type="checkbox"/> Recommendation fees <input type="checkbox"/> Placement fees <input type="checkbox"/> Administrative, overhead or processing fees <input type="checkbox"/> Skills tests <input type="checkbox"/> Certifications <input type="checkbox"/> Medical screenings <input type="checkbox"/> Passports/ID's <input type="checkbox"/> Work / resident permits <input type="checkbox"/> Birth certificates <input type="checkbox"/> Police clearance fees <input type="checkbox"/> Any transportation and lodging costs after employment offer <input type="checkbox"/> Any transport costs between work place and home <input type="checkbox"/> Any relocation costs after commencement of employment <input type="checkbox"/> New hire training / orientation fees <input type="checkbox"/> Medical exam fees <input type="checkbox"/> Deposit bonds or other deposits <input type="checkbox"/> Any other non-monetary assets <input type="checkbox"/> Other – please give details Not applicable
C: If any checked, give details:	Not applicable

Agency Workers (if applicable) <i>(workers sourced from a local agent who are not directly paid by the site, but paid by the agency, Usually the agencies are paid by the site and the wages of the individual workers are paid by the agency.)</i>	
A: Number of agencies used (average):	Names if available: Not applicable as factory had recruited all workers directly.
B: Were agency workers' age / pay / hours included within the scope of this audit?	<input type="checkbox"/> Yes <input type="checkbox"/> No Not applicable
C: Were sufficient documents for agency workers available for review?	<input type="checkbox"/> Yes <input type="checkbox"/> No Not applicable



D: Is there a legal contract / agreement with all agencies?	<input type="checkbox"/> Yes <input type="checkbox"/> No Not applicable Please give details: Not applicable
E: Does the site have a system for checking labour standards of agencies? If yes, please give details.	<input type="checkbox"/> Yes <input type="checkbox"/> No Not applicable Please give details: Not applicable

Contractors: <i>Note: contractors in this context are generally individuals who supply several workers to a site. Usually the contractors are paid by the site and the wages of the workers are paid by the contractor. Common terms include, gang bosses, labor provider,</i>	
A: Any contractors on site?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No If yes, how many contractors are present, please give details: Not applicable
B: If Yes , how many workers supplied by contractors?	Not applicable
C: Do all contractor workers understand their terms of employment?	<input type="checkbox"/> Yes <input type="checkbox"/> No Not applicable Please describe finding: Not applicable
D: If Yes , please give evidence for contractor workers being paid per law:	Not applicable

8A: Sub-Contracting and Homeworking:

8A: Sub-Contracting and Homeworking (Click here to return to NC-table) (Click here to return to Key Information)
<p>8A.1 There should be no sub-contracting unless previously agreed with the main client.</p> <p>8A.2 Systems and processes should be in place to manage sub-contracting, homeworking and external processing.</p> <p><i>Note to auditor on homeworking:</i> Report on whether it is direct or via agents. How many workers, relationship with site and what control systems are in place.</p> <p><i>Note to auditor on subcontracting:</i> auditor should use this section for subcontractors of part made or wholly made finished goods, this section should not be used for raw material manufacturers unless instructed otherwise by customers</p>



Current Systems and Evidence Examined

To complete 'current systems' Auditors examine policies and written procedures in conjunction with relevant managers, to understand, and record what controls and processes are currently in place e.g. record what policies are in place, what relevant procedures are carried out, who is/are responsible for the management of this item of the code. Evidence checked should detail any documentary or verbal evidence shown to support the systems.

Current systems:

As per the facility documents review, management, worker interview and factory tour, there was no sub-contractor or home working used by facility currently. Therefore, no apparent concern was detected regarding this section.

Evidence examined – to support system description (Documents examined & relevant comments. Include renewal/expiry date where appropriate):

Details:

1. Site tour (Calculation on total production and estimated capacity)
2. Materials in/out records
3. Management interview
4. Worker interview

Non-compliance:

1. Description of non-compliance:

- ☐ NC against ETI/Additional Elements ☐ NC against Local Law
☐ NC against customer code:
 None observed

Local law and/or ETI /Additional Elements requirement:

Not applicable

Recommended corrective action:

Not applicable

Objective evidence observed:

(where relevant please add photo numbers)
 Not applicable

Observation:

Description of observation:

None observed

Local law or ETI/Additional elements requirement:

Not applicable

Comments:

Not applicable

Objective evidence observed:

Not applicable

Good Examples observed:

Description of Good Example (GE):

None observed

Objective Evidence Observed:

Not applicable



Summary of sub-contracting – if applicable	
<input checked="" type="checkbox"/> Not Applicable please x	
A: Has the auditor made a simple calculation to compare capacity with workers' work load in order to identify possible unrecorded work or undeclared sub-contracting	<input type="checkbox"/> Yes <input type="checkbox"/> No Not applicable Please describe: Not applicable
B: If sub-contractors are used, is there evidence this has been agreed with the main client?	<input type="checkbox"/> Yes <input type="checkbox"/> No Not applicable If Yes , summarise details: Not applicable
C: Number of sub-contractors/agents used:	Not applicable
D: Is there a site policy on sub-contracting?	<input type="checkbox"/> Yes <input type="checkbox"/> No Not applicable If Yes , summarise details: Not applicable
E: What checks are in place to ensure no child labour is being used and work is safe?	Not applicable

Summary of homeworking – if applicable			
<input type="checkbox"/> Not Applicable please x			
A: If homeworking is being used, is there evidence this has been agreed with the main client?	<input type="checkbox"/> Yes <input type="checkbox"/> No If Yes , summarise details: Not applicable		
B: Number of homeworkers	Male: 0	Female: 0	Total: 0
C: Are homeworkers employed direct or through agents?	<input type="checkbox"/> Directly <input type="checkbox"/> Through Agents Not applicable		If through agents, number of agents: Not applicable
D: Is there a site policy on homeworking?	<input type="checkbox"/> Yes <input type="checkbox"/> No Not applicable		
E: How does the site ensure worker hours and pay meet local laws for homeworkers?	Not applicable		
F: What processes are carried out by homeworkers?	Not applicable		
G: Do any contracts exist for homeworkers?	<input type="checkbox"/> Yes <input type="checkbox"/> No Not applicable		



	Please give details: Not applicable
H: Are full records of homeworkers available at the site?	<input type="checkbox"/> Yes <input type="checkbox"/> No Not applicable

9: No Harsh or Inhumane Treatment is Allowed

[\(Click here to return to NC-table\)](#)

ETI

9.1 Physical abuse or discipline, the threat of physical abuse, sexual or other harassment and verbal abuse or other forms of intimidation shall be prohibited.

Additional elements:

9.2 companies should provide access to a confidential grievance mechanism for all workers

A: Are there published, anonymous and/or open channels available for reporting any violations of Labour standards and H&S or any other grievances to a 3 rd party?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No Please give details: Through direct supervisors, management, and suggestion box and worker participation committee.
B: If Yes , are workers aware of these channels and have access? Please give details.	Workers can share their concern with welfare officer; drop to their complain into suggestion box and even go to the top management.
C: If yes, what type of mechanism is used e.g. hotline, whistle blowing mechanism, comment box etc. Please give details.	Hotline, Suggestion box and welfare officer.
D: Which of the following groups is there a grievance mechanism in place for?	<input checked="" type="checkbox"/> Workers <input type="checkbox"/> Communities <input type="checkbox"/> Suppliers <input type="checkbox"/> Other Please give Details: All workers were aware of these processes; suggestion box was known by the workers. Also, workers can share their concern with welfare officer; drop them complains into suggestion box and even go to the top management. Moreover, factory has a system to open suggestion box in every 07 days.
E: Are there any open disputes?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No If yes, please give details
F: Does the site encourage its business partners (e.g., suppliers) to provide individuals and communities with access to effective grievance mechanisms (e.g. help lines or whistle blowing mechanism)	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No If no, please give details



G: Is there a published and transparent disciplinary procedure?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No If no, please explain
H: If yes, are workers aware of these the disciplinary procedure?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No If no, please give details
I: Does the disciplinary procedure allow for deductions from wages (fines) for disciplinary purposes (see wages section)?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No If yes, please give details- Absent deduction in case of worker is absent as per law.

Current Systems and Evidence Examined

To complete 'current systems' Auditors examine policies and written procedures in conjunction with relevant managers, to understand, and record what controls and processes are currently in place e.g. record what policies are in place, what relevant procedures are carried out, who is /are responsible for the management of this item of the code. Evidence checked should detail any documentary or verbal evidence shown to support the systems.

Current systems:

Based on the documents review, works and management interview it was observed that the factory management had established a policy on Harsh treatment and disciplinary procedure for workers which included oral warning, written warning and finally termination for miss-conduct and the site had developed a training program for all employees on the procedure. It was confirmed through worker interview that workers were aware of the disciplinary procedure. There is an internal process for grievance handling through hotline number and suggestion box, where workers can report any grievances (harassment, bullying, discrimination etc.). The received complaint will be handled by management, without any reprisal for the worker in question. No fines were made.

Interviewing with the management HR responsible person, they understand the practice and grievance mechanism.

Evidence examined – to support system description (Documents examined & relevant comments. Include renewal/expiry date where appropriate):

Details:

1. The relevant policy on prevention of harassment and abuse
2. Internal grievance procedure documentation.
3. Training records
4. Management interview and employee interview

Any other comments: None

Non-compliance:



1. Description of non-compliance: <input type="checkbox"/> NC against ETI <input type="checkbox"/> NC against Local Law <input type="checkbox"/> NC against customer code: None observed Local law and/or ETI requirement: Not applicable Recommended corrective action: Not applicable	Objective evidence observed: <i>(where relevant please add photo numbers)</i> Not applicable
--	---

Observation:	
Description of observation: None observed Local law or ETI requirement: Not applicable Comments: Not applicable	Objective evidence observed: Not applicable

Good Examples observed:	
Description of Good Example (GE): None observed	Objective Evidence Observed: Not applicable

10. Other Issue areas: 10A: Entitlement to Work and Immigration <i>(Click here to return to NC-table)</i>
Additional Elements 10A.1 Only workers with a legal right to work shall be employed or used by the supplier. 10A.2 All workers, including employment agency staff, must be validated by the supplier for their legal right to work by reviewing original documentation.

Current Systems and Evidence Examined
<i>To complete 'current systems' Auditors examine policies and written procedures in conjunction with relevant managers, to understand, and record what controls and processes are currently in place e.g. record what policies are in place, what relevant procedures are carried out, who is/are responsible for the management of this item of the code. Evidence checked should detail any documentary or verbal evidence shown to support the systems.</i>
Current systems: Per document review, factory management representation and worker interview, it was observed that all workers in the factory were Bangladeshi and 100% were local workers and no permission is required for working from one district to another district. All workers had the proper legal rights to work in this region. All of them were recruited directly by the factory and no agency was involved in factory's recruitment processes.



No agency staff or foreign worker was used by the factory. The factory recruits new worker only through posting recruiting advertisement on newspaper, some of production employees were introduced by fellow-villager, the workers have not paid any deposit when they were recruit in the factory. There were not any deductions for items such as travel and equipment.

Evidence examined – to support system description (Documents examined & relevant comments. Include renewal/expiry date where appropriate):

Details:

1. Hiring procedure
2. Personnel files
3. Worker handbook
4. Worker interview
5. Management interview

Any other comments: None

Non-compliance:

1. Description of non-compliance:

☐ NC against ETI/Additional Elements ☐ NC against Local Law

☐ NC against customer code:

None observed

Local law and/or ETI /Additional Elements requirement:

Not applicable

Recommended corrective action:

Not applicable

Objective evidence observed:

(where relevant please add photo numbers)

Not applicable

Observation:

Description of observation:

None observed

Local law or ETI/Additional Elements requirement:

Not applicable

Comments:

Not applicable

Objective evidence observed:

Not applicable

Good examples observed:

Description of Good Example (GE):

None observed

Objective Evidence Observed:

Not applicable

10. Other issue areas 10B4: Environment 4-Pillar



[\(Click here to return to NC-table\)](#)

To be completed for a 4-Pillar SMETA Audit and remove the previous page which is 10B2 environment 2 pillar

B.4. Compliance Requirements

10B4.1 Businesses as a minimum must meet the requirements of local and national laws related to environmental standards.

10B4.2 Where it is a legal requirement, businesses must be able to demonstrate that they have the relevant valid permits including for use and disposal of resources e.g. water, waste etc.

10B4.3 Businesses shall be aware of their end client's environmental standards/code requirements

10B4.4 Suppliers should have an environmental policy, covering their environmental impact, which is communicated to all appropriate parties, including its own suppliers.

10B4.5 Suppliers shall be aware of the significant environmental impact of their site and its processes.

10B4.6 The site should measure its impacts, including continuous recording and regular reviews of use and discharge of natural resources e.g. energy use, water use (see 4-pillar audit report and audit checks for details).

10B4.7 Businesses shall make continuous improvements in their environmental performance.

10B4.8 Businesses shall have available for review any environmental certifications or any environmental management systems documentation

10B4.9 Businesses should have a nominated individual responsible for co-ordinating the site's efforts to improve environmental performance.

B4. Guidance for Observations

10B4.10 Suppliers should have completed the appropriate section of the SAQ and made it available to the auditor.

10B4.11 Has the site recently been subject to (or pending) any fines/prosecutions for noncompliance to environmental regulations.

Note for auditors and readers. This environment section is intended to take not more than 0.25 auditor days. It is an assessment only and the main requirement is to establish whether a site is meeting applicable environmental laws and/or has any certifications or environmental management systems in place. Following this assessment the client/supplier may decide a full environmental audit is required (see also best practice guidance/environment and guidance for auditor)

Current Systems and Evidence Examined

To complete 'current systems' Auditors examine policies and written procedures in conjunction with relevant managers, to understand, and record what controls and processes are currently in place e.g. record what policies are in place, what relevant procedures are carried out, who is/are responsible for the management of this item of the code. Evidence checked should detail any documentary or verbal evidence shown to support the systems.

Current systems: Through onsite inspection, interviews and document review, no violation of environment pollution was observed. The factory had established an environmental policy, covering their environmental impact, which is communicated to all appropriate parties, including its own suppliers.

The factory management maintained all legally required environmental documents in place which proved that the production of the factory was in compliance with the related environmental regulations: including the report form of environmental impacts of the construction, Approval of environmental impact assessment document and the environmental protection check and acceptance were available and valid during this audit.

Based on worker interview, it was found that they were trained on environmental protection. The factory was aware of the significant environmental impact of their site and its processes. The factory had measured its impacts, including continuous recording and regular reviews of use and discharge of natural resources e.g. energy use, water use. The factory had sought to make continuous improvements in their environmental performance. The factory had a nominated Ms. AYESHA Siddika/ DGM- HR & Compliance responsible for coordinating the site's efforts to improve environmental performance.



There were not any fines/prosecutions for noncompliance to environmental regulations identified.

Evidence examined – to support system description (Documents examined & relevant comments. Include renewal/expiry date where appropriate):

Details:

1. Environmental policy and procedures
2. Environmental impact report form and approval
3. Energy and water bills
4. Hazardous waste entrust disposal contract
5. Management interview
6. Worker interview
7. Site tour

Any other comments: None

Non-compliance:

1. Description of non-compliance:

☐ NC against ETI/Additional Elements ☐ NC against Local Law

☐ NC against customer code:

None observed

Local law and/or ETI /Additional Elements requirement:

Not applicable

Recommended corrective action:

Not applicable

Objective evidence observed:

(where relevant please add photo numbers)

Not applicable

Observation:

Description of observation:

None observed

Local law or ETI/Additional Elements requirement:

Not applicable

Comments:

Not applicable

Objective evidence observed:

Not applicable

Good examples observed:

Description of Good Example (GE):

None observed

Objective Evidence Observed:

Not applicable



Environmental Analysis <i>(Site declaration only – this has not been verified by auditor. Please state units in all cases below.)</i>	
A: Is there a manager responsible for Environmental issues (Name and Position):	Ms. AYESHA Siddika/ DGM- HR & Compliance
B: Has the site conducted a risk assessment on the environmental impact of the site, including implementation of controls to reduce identified risks?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No Please give details: The factory had conducted risk assessment on the environmental impact of the site, including implementation of controls to reduce identified risk.
C: Does the site have a recognised environmental system certification such as ISO 14000 or equivalent? Please detail.	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No Please give details: None
D: Does the site have an Environmental policy? <i>(For guidance, please see Measurement criteria)</i>	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No If yes, is it publicly available? Environment policy and procedure publicly available for all management person & workers through training and notice board.
E: If yes, does it address the key impacts from their operations and their commitment to improvement?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No Please give details: Factory had environmental policy and procedure. Environment procedures defined for implementation and management of environmental performance.
F: Does the site have a Biodiversity policy? <i>(For guidance, please see Measurement criteria)</i>	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
G: Is there any other sustainability systems present such as Chain of Custody, Forest Stewardship Council (FSC), Marine Stewardship Council (MSC) etc.? Please detail. <i>(For guidance, please see Measurement criteria)</i>	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No Please give details: Factory had no sustainability systems present such as Chain of Custody, Forest Stewardship Council (FSC), Marine Stewardship Council (MSC) etc.
H: Have all legally required permits been shown? Please detail.	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No Please give details: The factory had environmental clearance certificate.
I: Is there a documentation process to record hazardous chemicals used in the manufacturing process?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A Please give details: Factory management has the list of chemicals used in the manufacturing process. Silicon, Detergent, Softener, Diesel, Mobil and Machine oil.
J: Is there a system for managing client's requirements and legislation in the destination countries regarding environmental and chemical issues?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No Please give details: Not applicable



K: Facility has reduction targets in place for environmental aspects e.g. water consumption and discharge, waste, energy and green-house gas emissions	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No Please give details: Facility has no any reduction targets in place for environmental aspect.	
L: Facility has evidence of waste recycling and is monitoring volume of waste that is recycled.	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No Please give details: Facility has no any waste recycling and is monitoring system.	
M: Does the facility have a system in place for accurately measuring and monitoring consumption of key utilities of water, energy and natural resources that follows recognised protocols or standards	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No Please give details: The facility measured and monitored the consumption of key utilities of water, energy and natural resources.	
N: Has the facility checked that any Sub-Contracting agencies or business partners operating on the premises have the appropriate permits and licences and are conducting business in line with environmental expectations of the facility?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No Please give details: Site has no any sub-contracting agencies.	
Usage/Discharge analysis		
Criteria	Previous year: Please state period: (January 2018 to December, 2018).	Current Year: Please state period: (January, 2019 to Audit day 2019).
Electricity Usage: <i>Kw/hrs</i>	890,270/ Kw	15,820/ Kw
Renewable Energy Usage: <i>Kw/hrs</i>	0	0
Gas Usage: <i>Kw/hrs</i>	103.10/ m ³	12.05/ m ³
Has site completed any carbon Footprint Analysis?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
If Yes , please state result	Not applicable	Not applicable
Water Sources: <i>Please list all sources e.g. lake, river, and local water authority.</i>	<ul style="list-style-type: none"> Submersible Pump 	<ul style="list-style-type: none"> Submersible Pump
Water Volume Used: <i>(m³)</i>	367.25/ m ³	90.5/ m ³
Water Discharged: <i>Please list all receiving waters/recipients.</i>	<ul style="list-style-type: none"> Through ETP 	<ul style="list-style-type: none"> Through ETP
Water Volume Discharged: <i>(m³)</i>	295.53/ m ³	70.9/ m ³
Water Volume Recycled:	0	0



(m ³)		
Total waste Produced (please state units)	20,970/ kg	5,850/ kg
Total hazardous waste Produced: (please state units)	820/ kg	250/ kg
Waste to Recycling: (please state units)	0	0
Waste to Landfill: (please state units)	No waste used for landfill	No waste used for landfill
Waste to other: (please give details and state units)	115/ Kg	35/ kg
Total Product Produced (please state units)	410,000 Pcs/ Month	425,000 Pcs/Month

10C: Business Ethics – 4-Pillar Audit

[\(Click here to return to NC-table\)](#)

To be completed for a 4-Pillar SMETA Audit

10C. Compliance Requirements

10C.1 Businesses shall conduct their business ethically without bribery, corruption, or any type of fraudulent Business Practice.

10C.2 Businesses as a minimum must meet the requirements of local and national laws related to bribery, corruption, or any type of fraudulent Business Practices.

10C.3 Where it is a legal requirement, businesses must be able to demonstrate that they comply with all fiscal legislative requirements.

10C.4 Businesses shall have access to a transparent system in place for confidentially reporting, and dealing with unethical Business Ethics without fear of reprisals towards the reporter.

10C.5 Businesses should have a Business Ethics policy, covering bribery, corruption, or any type of fraudulent Business Practice,

10C.6 Businesses should have a designated person responsible for implementing standards concerning Business Ethics

10C.7 Suppliers should ensure that the staff whose job roles carry a higher level of risk in the area of ethical Business Practice e.g. sales, purchasing, logistics are trained on what action to take in the event of an issue arising in their area.

10C. Guidance for Observations

10C.8 Businesses should communicate their Business Ethics policy, covering bribery, corruption, or any type of fraudulent Business Practice to all appropriate parties, including its own suppliers.

10C.9 Has the site recently been subject to (or pending) any fines/prosecutions for non-compliance to Business Ethics regulations. If so is there evidence that sustainable corrective actions have been implemented

Note for auditors and readers. This Business Ethics section is intended to take not more than 0.25 auditor days. It is an assessment not an audit.



Current Systems and Evidence Examined

To complete 'current systems' Auditors examine policies and written procedures in conjunction with relevant managers, to understand, and record what controls and processes are currently in place e.g. record what policies are in place, what relevant procedures are carried out, who is /are responsible for the management of this item of the code. Evidence checked should detail any documentary or verbal evidence shown to support the systems.

Current systems: Ms. AYSHA Siddika/ DGM- HR & Compliance was the designated person responsible for implementing standards concerning Business Ethics, and that site practices were conducted without any corruption and/or bribery. The company established a business ethics policy which was communicated to workers through posters and training. The site had received and read the Business Ethics policy of the auditor/audit company.

There is an internal grievance process on site.

Evidence examined – to support system description (Documents examined & relevant comments. Include renewal/expiry date where appropriate):

Details:

- 1.The company business ethics policy including Bribery Corruption
2. Training records
3. Worker handbook
4. Reports from Anonymous email account
5. Management interview
6. Worker interview

Any other comments: None

Non-compliance:

1. Description of non-compliance:

- ☐ NC against ETI/Additional Elements ☐ NC against Local Law
☐ NC against customer code:
None observed

Local law and/or ETI /Additional Elements requirement:

Not applicable

Recommended corrective action:

Not applicable

Objective evidence observed:

(where relevant please add photo numbers)
Not applicable

Observation

Description of observation:

None observed

Local law or ETI/Additional Elements requirement:

Not applicable

Comments:

Not applicable

Objective evidence observed:

Not applicable

Good examples observed:



Description of Good Example (GE): None observed	Objective Evidence Observed: Not applicable
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A: Does the facility have a Business Ethics Policy and is the policy communicated and applied internally, externally or both, as appropriate?	<input checked="" type="checkbox"/> Internal Policy <input checked="" type="checkbox"/> Policy for third parties including suppliers Please give details: The factory has a Business Ethics Policy and the policy communicated and applied both internally and externally. The both communication and application performed through training, notice board and providing policy requirement to external stake holders.
B: Does the site give training to relevant personnel (e.g. sales and logistics) on business ethics issues?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No Please give details: The site provided training records about sales and logistics member on business ethics for review.
C: Is the policy updated on a regular (as needed) basis?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No Please give details: Factory has updated regular basis business ethics policy and procedure.
D: Does the site require third parties including suppliers to complete their own business ethics training	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No Please give details: Site has conducted training on anti-corruption and bribery policy to their own supplier and employees.

Other Findings Outside the Scope of the Code
None observed

Community Benefits (Please list below any specific community benefits that the site management stated that they were involved in, for example, HIV programme, education, sports facilities)
None observed










Appendix 1

Comparison between ETI code and Customer's Supplier's Code. Any areas where a site complies with the Customer's Supplier Code, but not with the ETI code are discussed at the audit close out meeting and recorded on the CAPR. Note to supplier "for this customer it may not be necessary to complete corrective actions where NC's DO NOT meet the ETI code, but DO meet your customer's code. If the audit is shared with other customers who work to the ETI code or an equivalent international standard, corrective actions will be necessary."













☒ Not Applicable please x








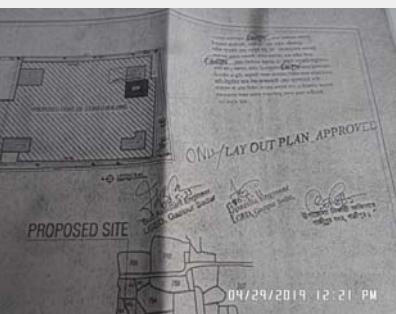



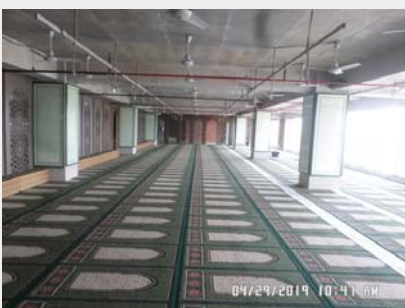


Photo Form

		
Factory name	Factory gate	Factory building
		
ETI base code	Winding section	Jacquard section
		
Linking section	Trimming section	Mending section



		
PQC section	Washing section	Pressing section
		
Packing section	Finished goods area	Fire alarm switch
		
Fire extinguisher	Exit sign & Fire alarm bell	Emergency light
		
Firefighting equipment	Emergency evacuation plan	Fire room




		
PA system	Canteen facility	Dining facility
		
Childcare facility	Medical room	First aid box
		
Attendance machine	Building approval	Chemical store
		
ETP	Maintenance room	Prayers room






		
Sprinkler system	Staircase	Temperature meter

		
Workers toilet	Electric control panel room	Generators

Non-Compliance Photos

		
NC photo no-01	NC photo no-02	NC photo no-03
Childcare room and Medical room were not fully separate by any fence at upper portion	Aisles marking found faded in Jacquard section at 7 th floor.	Aisles marking found faded in washing section



		
<p>NC photo no-04</p>	<p>NC photo no-05</p>	<p>NC photo no-06</p>
<p>Mobile and machine oil containers were stored without MSDS, Label and secondary containment in machine maintenance room at basement floor.</p>	<p>Exit sign was missing in jacquard distribution room located at building 01 (5th Floor).</p>	<p>Re- winding machine operators were not using ear plug during work.</p>





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Your feedback on your experience of the SMETA audit you have observed is extremely valuable. It will help to make improvements to future versions.

You can leave feedback by following the appropriate link to our questionnaire:

[Click here for Buyer \(A\) & Buyer/Supplier \(A/B\) members:](http://www.surveymonkey.com/s.aspx?sm=riPsbE0PQ52ehCo3lnq5lw_3d_3d)

http://www.surveymonkey.com/s.aspx?sm=riPsbE0PQ52ehCo3lnq5lw_3d_3d

[Click here for Supplier \(B\) members:](http://www.surveymonkey.com/s.aspx?sm=d3vYsCe48fre69DRglY_2brg_3d_3d)

http://www.surveymonkey.com/s.aspx?sm=d3vYsCe48fre69DRglY_2brg_3d_3d

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