



Sedex Members Ethical Trade Audit Report

Version 6.1



Audit Details			
Sedex Company Reference: <i>(only available on Sedex System)</i>	ZC: 172010723	Sedex Site Reference: <i>(only available on Sedex System)</i>	ZS: 172059202
Business name (Company name):	Smug Sweater Ltd.		
Site name:	Smug Sweater Ltd.		
Site address: <i>(Please include full address)</i>	Talipara, Chandana, Gazipur 1702	Country:	Bangladesh
Site contact and job title:	Abdullah Al Mamun, Manager (HR, Admin & Compliance)		
Site phone:	+8801915652409	Site e-mail:	mamun@smugsweater.com
SMETA Audit Pillars:	<input checked="" type="checkbox"/> Labour Standards	<input checked="" type="checkbox"/> Health & Safety (plus Environment 2-Pillar)	<input type="checkbox"/> Environment 4-pillar <input type="checkbox"/> Business Ethics
Date of Audit:	February 17 th , 2022		

<p>Audit Company Name & Logo:</p> <p>GSCS International Ltd.</p>	<p>Report Owner (payer):</p> <p>Smug Sweater Ltd.</p>
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Audit Conducted By					
Affiliate Audit Company	<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)			

If you have any concerns or queries about this SMETA report or the associated SMETA audit, please contact grievance@sedex.com.

To confirm the validity of this report, please visit <https://www.sedex.com/audit-verifier/>

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 6.1 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): Nil

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

Lead auditor: Aniruddha Paul (RA 21702514)

Lead auditor APSCA status: In good standing

Team auditor: Md. Uzzal Hossain (RA 21705537) and Md. Anisur Rahman (ASCA 21705696)

Interviewers: Aniruddha Paul (RA 21702514), Md. Uzzal Hossain (RA 21705537) and Md. Anisur Rahman (ASCA 21705696)

Report writer: Aniruddha Paul

Report reviewer: Md. Mehadi Hassan

Date of declaration: February 17th, 2022

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.

Summary of Findings

Issue <i>(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.</i>	Area of Non-Conformity <i>(Only check box when there is a non-conformity, and only in the box/es where the non-conformity can be found)</i>				Record the number of issues by line*:			Findings <i>(note to auditor, summarise in as few words as possible NCs, Obs and GE)</i>
	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 type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	01	0	01	<p>Summary of Non-Compliance: 1. Workers were not aware of the ETI code of conduct. Noted that facility arranged the training on ETI code of conduct, but which was not well effective to the workers.</p> <p>Summary of Good example: 1. The facility arranges picnic for the workers yearly.</p>
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"/>	08	0	0	<p>Summary of Non-Compliances: 1. The facility appointed a fire safety officer, but he did not have any fire training from Bangladesh Fire Service and Civil Defence (BFSCD).</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	0	None observed
6	<u>Working Hours</u>	<input checked="" type="checkbox"/>	<input type="checkbox"/>		<input type="checkbox"/>	01	0	0	<p>Summary of Non-Compliance:</p> <p>1. The facility maintained manual time records for all workers, which did not reflect actual time e.g. in time and out time. For example: Workers of their working time started from 08:00 AM to 05:00 PM. The factory had kept records in the time card of in time 08:00 AM and out time 05:00 PM manually in every day for each person. It means, when any workers reached the factory 5 or 15 minutes before or after it was never reflected the actual time of entrance and leave time of all the workers in the job cards.</p>
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 type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	0	0	0	None observed
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 checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	02	0	0	<p>Summary of Non-Compliances:</p> <p>1. Environmental Clearance Certificate (No. 21-57510) was expired on January 26, 2022. Noted that the facility applied for renewal on February 07, 2022, which was not prior to one month of the expiry date.</p>

										2. Wastages were not segregated as per its types of hazards at the wastage room on 6 th floor of factory building.
10B4	<u>Environment 4-Pillar</u>		<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	NA	NA	NA		Not Applicable as it is a 2-Pillar Audit
10C	<u>Business Ethics</u>		<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	NA	NA	NA		Not Applicable as it is a 2-Pillar Audit

General observations and summary of the site:

Smug Sweater Ltd was located at Talipara, Chandana, Gazipur 1702, Bangladesh. Site was established in year 2006. This periodic audit was conducted by three auditors, assessed the factory operation against ETI base code and Local law requirements on a sampling basis in one day. The scope of this audit was based on 2-Pillar SMETA system.

The factory specialized in manufacturing of all kinds of sweater Items. The main production process is Winding, Auto Knitting (Jacquard), Linking, Trimming, Mending, Washing, Ironing, Finishing and Packing. The total factory area was 77,000 square feet and the production area was 68,000 square feet. The factory has obvious peak season from April to December. Production capacity is around 500,000 pieces per month.

In view of facilities, the factory has 01 building.

Total man power of the factory is 840. On the day of audit, there were 782 workers (Male-313 & Female-469) in the factory in which 753 production workers and 29 non-production workers. All workers were local. Weekend of the factory was Friday. The general working hours for all section in the factory on one shift from 08:00 to 17:00 (Saturday to Thursday and Friday is day off) with 60 minutes' lunch break (02 shift) from 12:30 to 13:30 & 13:00 to 14:00 except Knitting (Jacquard) section works on two shifts with weekly holidays on Friday, shift-A from 08:00 to 17:00 & Shift-B from 20:00 to 05:00 with one-hour meal break. Only security has three shifts per eight hours each with rostering schedule of break & weekend.

Auditors entered the facility at 09:30 and conducted an opening meeting with facility management per the ETI Base Code. Worker representative was present in the meeting and they assured full co-operation to this audit.

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

1. The factory provided company registration No: C- 63333(824)/06 with life time validity started from 20th August 2006.
2. 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.
3. The emergency evacuation floor plan was posted on the wall of each floor.

4. No child labour or young worker was found during audit.
5. Neither migrant workers nor agency workers were found in the facility.
6. No forced labour, discrimination & harsh or inhumane treatment were found during the audit.
7. Suggestion box was available for employees to complain or feedback their working condition. Also, they could communicate with their supervisors, top management directly and through worker representatives.
8. Total 42 workers- Twelve (12) individual workers and Thirty (30)- six groups 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 workers interview. **Note:** Covid-19 pandemic situations going through all over the world. In that case, we have to managed our activities by maintaining our safety. when we conducted a worker's interview, everyone maintains social distance. we also noticed, all the workers in the factory were aware of all those things about what they need to be concern during this corona period. Also, the factory has formed own task force, SOP, risk assessments about Covid-19. They are monitoring these issues regularly.
9. Fire-fighting facilities were well equipped.
10. Drinking water and toilet were available and accessed easily.
11. Per payroll records review and interviews with management all workers were paid by monthly wages system. Wages were paid once a month within first 7 working days of the following pay period. All the employees' wages were paid by cash. No delay of wage was identified through documents review, workers and management interview.

Negative findings:

One non-compliance was found in the area of "Management systems and Code implementation", eight non-compliances were found in the area of "Safety and Hygienic Conditions", one non-compliance was found in the area of "Working Hours" and two one non-compliances were found in the area of "10B2: Environment 2-Pillar". For other areas, no violations were noted.

Good examples:

One good example was found in the area of "Living wages and benefits".

The closing meeting has started at 17:30 and corrective action plan was discussed. A copy of the CAP was given to Abdullah Al Mamun, Manager (HR, Admin & Compliance). Auditors thanked for good cooperation & behaviour, organization and friendly working environment and left company at 18:15 on 17th February, 2022.

**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:	Smug Sweater Ltd.																			
B: Site name:	Smug Sweater Ltd.																			
C: GPS location: (If available)	GPS Address: Talipara, Chandana, Gazipur 1702, Bangladesh	Latitude: 23.997386 Longitude: 90.383013																		
D: Applicable business and other legally required licence numbers and documents, for example, business license number, liability insurance, any other required government inspections	<p>Factory License No. 14070/Gazipur, issued by Bangladesh Government, valid till June 30th, 2022.</p> <p>Trade License No. 18/68, issued by Gazipur City Corporation, which is valid till 30th June 2022.</p> <p>Fire License No. DD/Dhaka/19982/2007, issued by Bangladesh Fire Service & Civil Defence Authority, which is valid till June 30th, 2022.</p> <p>Incorporation Certificate No. C- 63333(824)/06 with life time validity started from 20th August 2006.</p>																			
E: Products/Activities at site, for example, garment manufacture, electricals, toys, grower, cutting, sewing, packing etc	<p>The factory specialized in manufacturing of all kinds of sweater Items.</p> <p>The main production process is Winding, Knitting (Jacquard), Linking, Trimming, Mending, Washing, Finishing and Packing.</p>																			
F: Site description: (Include size, location, and age of site. Also, include structure and number of buildings)	<p>Smug Sweater Ltd was located at Talipara, Chandana, Gazipur 1702, Bangladesh. The site was established in year 2006. The factory specialized in manufacturing of all kinds of sweaters Items. The total factory area was 77,000 square feet and the production area was 68,000 square feet.</p> <p>In view of facilities, the factory has 01 building.</p> <table border="1"> <thead> <tr> <th>Building No. 01</th> <th>Description</th> <th>Remark, if any</th> </tr> </thead> <tbody> <tr> <td>Ground Floor</td> <td>Jacquard section, washing section, child care room, boiler room, generator room, chemical store & ETP.</td> <td>Nil</td> </tr> <tr> <td>1st Floor</td> <td>Linking section, trimming section, mending section, light check section, O/L, distribution room, merchandising room & accounts room.</td> <td>Nil</td> </tr> <tr> <td>2nd Floor</td> <td>Sewing section & finishing section.</td> <td>Nil</td> </tr> <tr> <td>3rd Floor</td> <td>PQC Section.</td> <td>Nil</td> </tr> <tr> <td>4th Floor</td> <td>Temporary storage area</td> <td>Nil</td> </tr> </tbody> </table>		Building No. 01	Description	Remark, if any	Ground Floor	Jacquard section, washing section, child care room, boiler room, generator room, chemical store & ETP.	Nil	1 st Floor	Linking section, trimming section, mending section, light check section, O/L, distribution room, merchandising room & accounts room.	Nil	2 nd Floor	Sewing section & finishing section.	Nil	3 rd Floor	PQC Section.	Nil	4 th Floor	Temporary storage area	Nil
Building No. 01	Description	Remark, if any																		
Ground Floor	Jacquard section, washing section, child care room, boiler room, generator room, chemical store & ETP.	Nil																		
1 st Floor	Linking section, trimming section, mending section, light check section, O/L, distribution room, merchandising room & accounts room.	Nil																		
2 nd Floor	Sewing section & finishing section.	Nil																		
3 rd Floor	PQC Section.	Nil																		
4 th Floor	Temporary storage area	Nil																		

	5 th Floor	Finishing goods store, accessories store, winding section & sample section.	Nil
	6 th Floor	Dining hall, canteen, wastage area, time section & medical room.	Nil
	Is this a shared building?	No	Nil
<p>F1: Visible structural integrity issues (large cracks) observed? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No</p> <p>F2: Please give details: No cracks were observed on the day of audit.</p> <p>F3: Does the site have a structural engineer evaluation? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No</p> <p>F4: Please give details: The site has a structural engineer evaluation from Accord.</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 December		
I: Process overview: (Include products being produced, main operations, number of production lines, main equipment used)	<p>Production Capacity: Around 500,000 pieces per month.</p> <p>Main Product: Facility specialized in manufacturing of all kinds of sweater items.</p> <p>The Main production process: Winding, Knitting (Jacquard), Linking, Washing, Ironing, Finishing and Packing.</p> <p>Main Equipment: Generator= 02 sets, Boiler= 02 sets, Washing Machine= 02 sets, Hi-dro Machine= 02 sets, Dryer Machine= 02 sets, Air Compressor= 01 set, Knitting Machine= 350 sets, Linking Machine= 285 sets, Light Check Machine= 11 sets, Light Check Machine= 28 sets, Over Lock Machine= 06 sets, Vacuum Iron Table= 35 sets, Iron Machine= 68 sets, Exhaust Fan= 15 sets, Fan= 547 sets, Tube Light= 1821 sets, Energy Light= 114 sets, Emergency Light= 44 sets, 25 walt Light= 05 sets, Needle Detector Machine= 01 set, Printer Machine= 03 sets, Scanning Machine= 03 sets, Electric/ wall clock= 15 sets, Grinding Machine= 01 set, Drill Machine= 01 set, Thinner Machine= 01 set, Intercom Panel= 01</p>		

	set, Ladder Machine= 01 set, Server Machine= 01 set, Auto Placket Machine= 08 sets, Loop Machine= 01 set, Shed Check Machine= 01 set.
J: What form of worker representation / union is there on site?	<input type="checkbox"/> Union (name) <input checked="" type="checkbox"/> Worker Committee <input type="checkbox"/> Other (specify) <input type="checkbox"/> None
K: Is there any night production work at the site?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
L: Are there any on site provided worker accommodation buildings e.g. dormitories	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No L1: If yes, approx. % of workers in on site accommodation
M: Are there any off site provided worker accommodation buildings	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No M1: If yes, approx. % of workers N/A
N: Were all site-provided accommodation buildings included in this audit	<input type="checkbox"/> Yes <input type="checkbox"/> No N1: If no, please give details N/A

Audit Parameters			
A: Time in and time out	A1: Day 1 Time in: 09:30 A2: Day 1 Time out: 18:15	A3: Day 2 Time in: NA A4: Day 2 Time out: NA	A5: Day 3 Time in: NA A6: Day 3 Time out: NA
B: Number of auditor days used:	3.0 Man-days (3 Auditor X 1.0 Day)		
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: 4 weeks <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)	Abdullah Al Mamun, Manager (HR, Admin & Compliance)		
H: Is further information available (If yes, please contact audit company for details)	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No		
I: Previous audit date:	February 28 th , 2021		
J: Previous audit type:	Full Initial (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

<p>D: If Worker Representatives were not present please explain reasons why <i>(only complete if no worker reps present)</i></p>	<p>Not applicable, worker representative was present.</p>
<p>E: If Union Representatives were not present please explain reasons why: <i>(only complete if no union reps present)</i></p>	<p>Not applicable, no trade union is at this site and it is not mandatory requirement.</p>

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 or permanent resident 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	336	0	0	0	0	0	0	336
Worker numbers – female	504	0	0	0	0	0	0	504
Total	840	0	0	0	0	0	0	840
Number of Workers interviewed – male	17	0	0	0	0	0	0	17
Number of Workers interviewed – female	25	0	0	0	0	0	0	25
Total – interviewed sample size	42	0	0	0	0	0	0	42



A: Nationality of Management	Bangladeshi	
<p>B: Please list the nationalities of all workers, with the three most common nationalities listed first.</p> <p><i>Please add more nationalities as applicable to site. Add more rows if required.</i></p>	<p>Nationalities: B1: Nationality 1: __ Bangladeshi ____ B2: Nationality 2: __0____ B3: Nationality 3: __0____</p>	<p>Was the list completed during peak season? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No If no, please describe how this may vary during peak periods: Not Applicable</p>
C: Please provide more information for the three most common nationalities.	<p>C: approx % total workforce: Nationality 1 _100%_ Bangladeshi_____ C1: approx % total workforce: Nationality 2 __0%_____ C2: approx % total workforce: Nationality 3 __0%_____</p>	
D: Worker remuneration (management information)	<p>D: __41__% workers on piece rate D1: __0__% hourly paid workers D2: __59__% salaried workers</p> <p>Payment cycle: D3: __0__% daily paid D4: __0__% weekly paid D5: __100__% monthly paid D6: __0__% other D7: 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 type="checkbox"/> Yes <input checked="" type="checkbox"/> No
C: Number of group interviews: <i>(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)</i>	Total 30 workers (06 groups of 05 workers in each group)
D: Number of individual interviews <i>(Please see SMETA Best Practice Guidance and Measurement Criteria)</i>	D1: Male: 05 D2: Female: 07
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: N/A
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?	No complaint was raised by any sample workers against facility because they are happy with their working environment.
I: What did the workers like the most about working at this site?	Facility workplace condition was 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 L1: If yes, please give details: Facility conducts worker survey in a quarterly on grievance.	
M: Attitude of workers:	

(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

The factory allowed the auditors from GSCS International Ltd. to conduct confidential worker interviews. The workers were chosen freely without any influence by the factory management: 42 workers (06 groups of 05 workers and 12 individuals) were randomly selected by auditor from different sections for interview. The workers showed a cooperative attitude during the interview process. Based on worker interview, they expressed their positive attitude to the management and payment system. All workers were satisfied with working conditions and benefits.

The effective evidences were collected by workers interview; the following information was summarized:

1. 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.
2. All interviewees reflected that workers could complain to management or worker committee representatives directly or by writing letters through suggestion box and all interviewed workers were aware of worker representatives.
3. All workers stated that factory provided induction training for new workers and regular safety training for all workers. Workers said that they had participated in fire drills at the production area.
4. 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.
5. All interviewed workers said that they were paid by monthly wage system. Wages were paid once a month within first 07 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.
6. All workers were local. Weekend of the factory was Friday. The general working hours for all section in the factory on one shift from 08:00 to 17:00 (Saturday to Thursday and Friday is day off) with 60 minutes' lunch break (02 shift) from 12:30 to 13:30 & 13:00 to 14:00 except Knitting (Jacquard) section works on two shifts with weekly holidays on Friday, shift-A from 08:00 to 17:00 & Shift-B from 20:00 to 05:00 with one-hour meal break. Only security has three shifts per eight hours each with rostering schedule of break & weekend.
7. 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.

N: Attitude of worker's committee/union reps:

(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

During Interview, the worker committee representatives 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 management was found to be well versed with the requirements of social audit, management was co-operative and transparent during the audit. They were receptive towards findings. The management approach was found to be positive.

Audit Results by Clause

0A: Universal Rights covering UNGP

[\(Click here to return to summary of findings\)](#)

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:

- The facility had a policy, endorsed at the highest level, covering human rights impacts and issues, and it is communicated to all appropriate parties, including its own suppliers.
- The responsible person for implementation and monitoring is Abdullah Al Mamun, Manager (HR, Admin & Compliance).
- The facility measured their direct, indirect, and potential impacts on stakeholders (rights holders) human rights.
- Where businesses have an adverse impact on human rights within any of their stakeholders, they address these issues and enable effective remediation.
- The facility had a transparent system in place for confidentially reporting and dealing with human rights impacts without fear of reprisals towards the report.
- The facility has policy and procedures for human rights.
- It is communicated to all appropriate parties, including suppliers through the responsible person.

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 A1: Please give details: 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 Please give details: Name: Abdullah Al Mamun Job title: Manager (HR, Admin & Compliance)</p>
<p>C: Does the business 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 C1: 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 management in policy board and public areas in the facility.</p>
<p>D: Does the grievance mechanism meet UNGP expectations? (Legitimate, Accessible, Predictable, Equitable, Transparent, Rights-compatible, a source of continuous learning and based on stakeholder engagement)</p>	<p><input checked="" type="checkbox"/> Yes <input type="checkbox"/> No D1: If no, please give details: Not Applicable</p>
<p>E: Does the business demonstrate effective data privacy procedures for workers' information, which is implemented?</p>	<p><input checked="" type="checkbox"/> Yes <input type="checkbox"/> No E1: Please give details: The facility established an effective data privacy procedure for workers' information to protect the workers' privacy information.</p>

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

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)	A1: Last year: 2021 __7__ %	A2: This year: 2022 __0.08__ %
B: Current % quarterly (90 days) turnover: Number of workers leaving from the first day of the 90 days 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]	2.6%	
C: Annual % absenteeism: 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	C1: Last year: 2021 __7__ %	C2: This year: 2022 __0.06__ %
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	2.0%	
E: Are accidents recorded?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No E1: Please describe: The factory maintains regular accident register. Medical Officer & Nurse are responsible positions 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]	F1: Last year: 2021-12 Number: 1.42%	F1: Last year: 2022-03 Number: 0.35%
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]	0.25%	
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]	H1: Last year: 0	H2: This year: 0
I: % of workers that work on average more than 48 standard hours / week in the last 6 / 12 months:	I1: 6 months __0__% workers	I2: 12 months __0__% workers
J: % of workers that work on average more than 60 total hours / week in the last 6 / 12 months:	J1: 6 months __0__% workers	J2: 12 months __0__% workers

0B: Management system and Code Implementation

[\(Click here to return to summary of findings\)](#)

- 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:

- Responsibility for meeting the legal and client code requirements is taken Abdullah Al Mamun, Manager (HR, Admin & Compliance).
- The workers were not aware of the ETI code of conduct. Note that the facility arranged training on ETI code of conduct but which was not well effective to the workers.
- The facility communicated this code of conduct (COC) to the suppliers.
- The facility management is conducting internal social compliance audit regularly and take necessary corrective action based on report.
- The facility arranged mid-level management training for all mid-level management employees such as supervisors, quality in charge, production officers, etc.
- The facility conducts orientation training for all new employees.
- Implementation of any necessary changes is then given to the individual department heads after agreement with the facility manager.

One non-compliance and one good example were found in the areas of "Management system & Code implementation. For details, please refer to contents of 'Non-compliance' & 'Good example'.

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

Details:

- Employee handbook.
- Facility Code of Conduct (COC)
- All policies of facility.
- Legal license (Factory, Fire, Trade)
- Internal audit records.
- Management employee training, training attendance record
- Meeting records.

Any other comments: None

Management Systems:	
<p>A: In the last 12 months, has the site been subject to any fines/prosecutions for non-compliance to any regulations?</p>	<p><input type="checkbox"/> Yes <input checked="" type="checkbox"/> No A1: Please give details: In the last 12 months, the site has not been subjected to any fines or prosecutions for non-compliance to any regulations.</p>
<p>B: Do policies and/or procedures exist that reduce the risk of forced labour, child labour, discrimination, harassment & abuse?</p>	<p><input checked="" type="checkbox"/> Yes <input type="checkbox"/> No B1: Please give details: It was noted through documentation review, the facility has policies and procedures to reduce the risk of forced labour, child labour, discrimination, harassment & abuse.</p>
<p>C: If Yes, is there evidence (an indication) of effective implementation? Please give details.</p>	<p>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.</p>
<p>D: Have managers and workers received training in the standards for forced labour, child labour, discrimination, harassment & abuse?</p>	<p><input checked="" type="checkbox"/> Yes <input type="checkbox"/> No D1: Please give details: All workers in the facility have received orientation training where standards for forced labour, child labour, discrimination, harassment & abuse are covered. Other than that anti-harassment and anti-abuse training has been communicated to all the workers.</p>
<p>E: If Yes, is there evidence (an indication) that training has been effective e.g. training records etc.? Please give details</p>	<p><input checked="" type="checkbox"/> Yes <input type="checkbox"/> No E1: Please give details: Training records were found including picture and attendance sheet.</p>
<p>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).</p>	<p><input type="checkbox"/> Yes <input checked="" type="checkbox"/> No F1: Please give details: The site has not any international system certificate.</p>
<p>G: Is there a Human Resources manager/department? If Yes, please detail.</p>	<p><input checked="" type="checkbox"/> Yes <input type="checkbox"/> No G1: Please give details: Facility has a dedicated Human Resources department consisting 08 members and is headed by Abdullah Al Mamun, Manager (HR, Admin & Compliance).</p>
<p>H: Is there a senior person / manager responsible for implementation of the code</p>	<p><input checked="" type="checkbox"/> Yes <input type="checkbox"/> No</p>

	H1: Please give details: Responsibility for meeting the legal and client code requirements is taken by Abdullah Al Mamun, Manager (HR, Admin & Compliance).
I: Is there a policy to ensure all worker information is confidential?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No I1: Please give details: The factory had adopted a policy decision whereby all employees of the company will be required to maintain confidentiality regarding 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 J1: Please give details: The facility has an effective key control procedure to keep the information confidential.
K: Are risk assessments conducted to evaluate policy and procedure effectiveness?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No K1: Please give details: Facility conducted risk assessment evaluates effectiveness of every policy and procedure department wise. But noise risk was not identified in the risk assessment for the highly noisy area like winding section, linking section and winding section.
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 L1Please give details: The facility has an internal system to raise the issue found the risk assessment and to implement the way of reduction it. But noise risk was not identified in the risk assessment for the highly noisy area like winding section, linking section and winding section.
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 M1: 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 (see SMETA Measurement Criteria)?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No N1: Please give details: Facility has building approval from concerned authority.
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 O1: Please give details: The facility has anti-corruption committee, anti-bribery policy to

	support due diligence in applying national laws and practices relating to land title.
<p>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</p>	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No <p>P1: If yes, how does the company obtain FPIC: Not Applicable</p>
<p>Q: Is there evidence that facility / site compensated the owner/lessor for the land prior to the facility being built or expanded.</p>	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No <p>Q1: Please give details: Factory land is owned by the facility owner.</p>
<p>R. Does the facility demonstrate that alternatives to a specific land acquisition were considered to avoid or minimize adverse impacts?</p>	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No <p>R1: Please give details: Not applicable as the facility are using own land and buildings.</p>
<p>S: Is There any evidence of illegal appropriation of land for facility building or expansion of footprint.</p>	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No <p>S1: Please give details: It was noted through land ownership agreement review and management interview that the facility did not go through illegal appropriation of land for facility building.</p>

Non-compliance:	
<p>1. Description of non-compliance: <input checked="" type="checkbox"/> NC against ETI/Additional Elements <input type="checkbox"/> NC against Local Law <input type="checkbox"/> NC against customer code:</p> <p>It was noted through training records review and workers & management interview that workers were not aware of the ETI code of conduct. Noted that facility arranged the training on ETI code of conduct, but which was not well effective to the workers.</p> <p>Local law and/or ETI requirement: In accordance with Additional Elements 0.B.4: Suppliers are expected to communicate this Code to all employees.</p> <p>Recommended corrective action: It is recommended that the factory management shall conduct awareness training on ETI base code to all employees and ensure the effectiveness of ETI code among all workers.</p> <p>Action by: Abdullah Al Mamun, Manager (HR, Admin & Compliance)</p> <p>Time scale: 30 Days.</p>	<p>Objective evidence observed: 1. Based on training records review and workers & management interview</p>

Observation:	
<p>Description of observation: None observed</p> <p>Local law or ETI requirement: None observed</p> <p>Comments: None observed</p>	<p>Objective evidence observed: Not Applicable</p>

Good Examples observed:	
<p>Description of Good Example (GE):</p> <p>1. The facility arranges picnic for the workers yearly.</p>	<p>Objective evidence observed: 1. Based on workers and management interview</p>

1: Freely Chosen Employment

[\(Click here to return to summary of findings\)](#)

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:

- The factory has a policy which prohibits forced labour, and this was also available for review.
- Age verification documents (National ID card copy, educational certificate, nationality certificate) were available in employee personal files.
- Service book is provided to every employee.
- Overtime is voluntary.
- The terms and conditions of employment state that the workers are free to leave the workplace outside of their working hours. Facility also has a written policy regarding this.
- The facility did not require any payment for work tools, PPE, IC/staff card, training, etc.
- The facility does not use any prison labour.
- The above was confirmed in management and employees' interview.

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

Details:

1. Personnel files
2. Factory policy, rules and regulations, and training records etc.
3. Resignation records
4. Factory rules
5. Employee handbook
6. Management and workers interview

Any other comments: None

<p>A: Is there any evidence of retention of original documents, e.g. passports/ID's</p>	<p><input type="checkbox"/> Yes <input checked="" type="checkbox"/> No A1: If yes, please give details and category of workers affected: Not applicable</p>
<p>B: Is there any evidence of a loan scheme in operation</p>	<p><input type="checkbox"/> Yes <input checked="" type="checkbox"/> No B1: If yes, please give details and category of worker affected: Not applicable</p>
<p>C: Is there any evidence of retention of wages /deposits</p>	<p><input type="checkbox"/> Yes <input checked="" type="checkbox"/> No C1: If yes, please give details and category of worker affected: Not applicable</p>

<p>D: Are there any restrictions on workers' freedom to terminate employment?</p>	<p><input type="checkbox"/> Yes <input checked="" type="checkbox"/> No D1: Please describe finding: Facility has a policy mentioning workers are free to terminate employment from the facility with '02 months' notice period.</p>
<p>E: If any part of the business is UK based or registered there & has a turnover over £36m, is there a published a 'modern day slavery statement'?</p>	<p><input type="checkbox"/> Yes <input type="checkbox"/> No <input checked="" type="checkbox"/> Not applicable E1: Please describe finding: Not applicable as the yearly turnover of the factory was less than £36m.</p>
<p>F: Is there evidence of any restrictions on workers' freedoms to leave the site at the end of the work day?</p>	<p><input type="checkbox"/> Yes <input checked="" type="checkbox"/> No F1: Please describe finding: No evidence of any restrictions on workers' freedoms to leave the site at the end of the workday.</p>
<p>G: Does the site understand the risks of forced / trafficked / bonded labour in its supply chain</p>	<p><input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> Not applicable G1: 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.</p>
<p>H: Is the site taking any steps taking to reduce the risk of forced / trafficked labour?</p>	<p><input checked="" type="checkbox"/> Yes <input type="checkbox"/> No H1: Please describe finding: Factory had provided training and awareness session to all employees to reduce the risk of forced / trafficked labour.</p>

<p style="text-align: center;">Non-compliance:</p>	
<p>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</p>	<p>Objective evidence observed: Not Applicable</p>

<p style="text-align: center;">Observation:</p>	
<p>Description of observation: None Observed Local law or ETI requirement: Not Applicable Comments: Not Applicable</p>	<p>Objective evidence observed: Not Applicable</p>

Good Examples observed:

Description of Good Example (GE):
None Observed

**Objective evidence
observed:**
Not Applicable

2: Freedom of Association and Right to Collective Bargaining are Respected

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

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:

- All the employees can form or join the trade union of their choice.
- There is no trade union in the facility but there is a Participation Committee formed by election.
- Participation Committee was formed by election on 18th October 2021
- Last Participation Committee meeting was held on 26th December 2021.
- Meeting minutes are posted in notice board and recorded in a register.
- There are 08 members from workers side and 06 from management side with 14 members.
- PC members are not treated less favourably than other workers.
- PC members can carry out their duties within working hours without affecting their pay.

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 its 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 <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

<p>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>)</p>	<p><input checked="" type="checkbox"/> Yes <input type="checkbox"/> No</p> <p>D1: Please give details: Facility has an effective handling procedure. Workers can submit their grievance verbally or in written through Welfare Officer, PC members or complain box.</p> <p>D2: Is there evidence of free elections? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No</p>	
<p>E: Does the supplier provide adequate facilities to allow the Union or committee to conduct related business?</p>	<p><input checked="" type="checkbox"/> Yes <input type="checkbox"/> No</p> <p>E1: Please give details: The PC members able to perform their responsibility without any management intervention though the factory had formed participation committee by election process.</p>	
<p>F: Name of union and union representative, if applicable:</p>	<p>Not applicable</p>	<p>F1: Is there evidence of free elections? <input type="checkbox"/> Yes <input type="checkbox"/> No <input checked="" type="checkbox"/> N/A</p>
<p>G: If there is no union, is there a parallel means of consultation with workers e.g. worker committees?</p>	<p>Participation Committee</p>	<p>G1: Is there evidence of free elections? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A</p>
<p>H: Are all workers aware of who their representatives are?</p>	<p><input checked="" type="checkbox"/> Yes <input type="checkbox"/> No</p>	<p>All workers are aware of their representatives.</p>
<p>I: Were worker representatives freely elected?</p>	<p><input checked="" type="checkbox"/> Yes <input type="checkbox"/> No</p>	<p>I1: Date of last election: 18th October 2021</p>
<p>J: Do workers know what topics can be raised with their representatives?</p>	<p><input checked="" type="checkbox"/> Yes <input type="checkbox"/> No</p>	
<p>K: Were worker representatives/union representatives interviewed?</p>	<p><input checked="" type="checkbox"/> Yes <input type="checkbox"/> No If Yes, please state how many: One representative from the workers participation committee had been interviewed.</p>	
<p>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></p>	<p>08 worker representatives were elected by the workers to represent each section of the facility. The last communication meeting was held on 26th December 2021 with topic of discussion about previous meeting agenda, discussion on roles and responsibilities of Participation Committee representatives etc. Meeting minutes were shared with all workers through posting the meeting minutes on communication board.</p>	
<p>M: Are any workers covered by Collective Bargaining Agreement (CBA)?</p>	<p><input type="checkbox"/> Yes <input checked="" type="checkbox"/> No</p>	
<p>If Yes, what percentage by trade Union/worker representation</p>	<p>M1: <u>NA</u>% workers covered by Union CBA</p>	<p>M2: <u>NA</u>% workers covered by worker rep CBA</p>
<p>M3: If Yes, does the Collective Bargaining Agreement (CBA) include rates of pay?</p>	<p><input type="checkbox"/> Yes <input checked="" type="checkbox"/> No</p>	

Non-compliance:	
<p>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</p>	<p>Objective evidence observed: Not applicable</p>

Observation:	
<p>Description of observation: None Observed Local law or ETI requirement: Not Applicable 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>

3: Working Conditions are Safe and Hygienic

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

ETI

- 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.
- 3.2 Workers shall receive regular and recorded Health & Safety training, and such training shall be repeated for new or reassigned workers.
- 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:

1. General Health and Safety Management

- Abdullah Al Mamun, Manager (HR, Admin & Compliance), looks after Health & Safety issues for the site.
- Potable water was freely available in all areas.
- Enough clean toilets 57 (29 for males and 28 for females) segregated by gender were always available for workers.
- Ventilation, temperature and lighting were adequate for the production processes.
- Minutes of meetings show that there are every three months Health and Safety meeting held. Last meeting was held on 07th December 2021.

2. Fire Safety

- Enough assembly area was found in front of the facility building.
- Firefighting equipment was adequate and checks were up-to-date.
- The facility management posted the evacuation plans on every production floors/shed with local language.
- Public Address System and fire alarming system were available in all areas.

3. Fire Drill and Training Information

Type of Fire Drill	Date	Time Duration	No. of Participant	Conducted By
Day (Internal)	05-01-2022	02:52 minutes	899	Abdullah Al Mamun, Manager (HR, Admin & Compliance)
Night (Internal)	20-12-2021	02:47 minutes	818	Abdullah Al Mamun, Manager (HR, Admin & Compliance)

Training Name	Date	Participant	Trainer
1. New Workers Orientation Training	27-12-2021	10	Abdullah Al Mamun, Manager (HR, Admin & Compliance)
2. Occupational Health and Safety Training	16-01-2022	08	Dr. S.F. Abul Hashem, Medical Officer

3. First Aid Training	16-01-2022	08	Dr. S.F. Abul Hashem, Medical Officer
4. PPE Training	29-12-2021	10	Abdullah Al Mamun, Manager (HR, Admin & Compliance)
5. Training on Anti-harassment	16-01-2022	05	Abdullah Al Mamun, Manager (HR, Admin & Compliance)

4. Electrical & Machine Safety

- All electrical equipment was maintained in good condition such as sockets, plugs, switches and main fuse boards.
- Facility checks all electric channels, distribution board and electric connection daily and monthly schedule wise.
- Facility maintains a scheduled maintenance plan for doing maintenance of all machines.

5. Chemical Safety

- Facility uses light chemicals for their production process and provided training and Personal Protection Equipment. They maintain the safety data sheet for the chemicals and ensure secondary containments for all chemicals.

6. Medical Services

- There were 13 first aid boxes with enough kits in the full facility.
- Facility has appointed 01 doctor and 01 nurse who are available in working time of the facility. They also arranged monthly first aid training with 26 first aiders.
- Facility has a medical room.

7. Dormitory

- Facility did not provide dormitory facilities to any employees

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

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

Details:

1. License review (Fire license, Trade license, Factory license)
2. Building approval plan and layout approval plan
3. Group insurance
4. Drinking water test report
5. Injury record and analysis report
6. Machine and electric maintenance record
7. Risk assessment report
8. Training record (Fire training, First aid training, PPE training and Health and safety training).
9. Fire drill record
10. Health and safety committee register
11. Fire equipment and electric equipment checking record

Any other comments: None

A: Does the facility have general and occupational Health & Safety policies and procedures that are fit for purpose

- Yes
- No

A1: Please give details: Factory had adopted health & safety policy which covers PPE, machine safety device, fire safety (fire

and are these communicated to workers?	extinguisher, freighting equipment, hose pipe etc.), emergency pathway, evacuation drill, housekeeping, first aid, electrical safety etc. Last training was conducted on 16th January 2022.
B: Are the policies included in workers' manuals?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No B1: Please give details: The facility provides workers manual to the workers where all the policies and applicable government law are included.
C: Are there any structural additions without required permits/inspections (e.g. floors added)?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No C1: Please give details: No additional structures were found without building construction approval.
D: Are visitors to the site informed on H&S and provided with personal protective equipment	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No D1: 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(s) as and when required.
E: Is a medical room or medical facility provided for workers? If yes, do the room(s) meet legal requirements and is the size/number of rooms suitable for the number of workers.	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No E1: Please give details: The facility has a medical room dedicated for workers with doctor & nurse. This room meets legal requirements.
F: Is there a doctor or nurse on site or there is easy access to first aider/ trained medical aid?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No F1: Please give details: The facility has 01 doctor and 01 nurse, recruited for medical treatment of their employees.
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?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No G1: Please give details: Not applicable as it is not mandatory by local law, factory did not provide transport facility to their workers.
H: Is secure personal storage space provided for workers in their living space and is fit for purpose?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No H1: Please give details: Not applicable as the factory did not provide living space to the workers.
I: Are H&S Risk assessments are 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 I1: Please give details: H&S risk assessment is done on a monthly basis according to the training schedule. But noise risk was not identified in the risk assessment for the highly noisy area like winding section, linking section and winding section.
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 J1: Please give details: The facility meets all the legal obligations on environmental requirement including required permits for use and disposal natural resources like water, gas etc.

<p>K: Is the site meeting its customer requirements on environmental standards, including the use of banned chemicals?</p>	<p><input checked="" type="checkbox"/> Yes <input type="checkbox"/> No</p> <p>K1: Please give details: The factory did not use banned chemicals and follows the entire customer requirement on environmental standard.</p>
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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:</p> <p>It was noted through documents review and management interview that the facility appointed a fire safety officer, but he did not have any fire training from Bangladesh Fire Service and Civil Defence (BFSCD).</p> <p>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.</p> <p>In accordance with The Bangladesh Labour Rules 2015, Rule 55 (12): A trained officer shall be recruited in the factory/institute where at least 500 workers are employed. The duties of the officer shall be ensuring the preservation and maintenance of all fire-fighting equipment's and keeping them fit and arranging trainings for the three teams mentioned in Sub-section 10 after every six-month period.</p> <p>Recommended corrective action: It is recommended that the facility shall ensure a trained fire safety officer from BFSCD in the facility.</p> <p>Action by: Abdullah Al Mamun, Manager (HR, Admin & Compliance)</p> <p>Timescale: 90 Days.</p> <p>2. 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:</p> <p>It was noted during facility tour that the linking machines and bartack machines were installed near the wall without confirming 0.75-meter space at linking section of 1st floor.</p> <p>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.</p>	<p>Objective evidence observed: 1. Based on documents review and management interview</p> <p>2. Based on facility tour NC Picture No. 01 & 02</p>
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In accordance with The Bangladesh Labour Rules, 2015, Rule 59: In case of installation of any equipment in any place of the company, the distance of the equipment from the wall must be at least 1 meter and near the installed equipment or the row of the equipment's at least 1 meter wide passage must have: Provided that, at present in case of the running institution if there is no place, the distance of equipment from the wall and passage can be kept at least 0.75 meter.

Recommended corrective action: It is recommended that the facility shall ensure that all the machines are installed 0.75-meter distance from the wall.

Action by: Abdullah Al Mamun, Manager (HR, Admin & Compliance)

Timescale: 30 Days.

3. Description of non-compliance:

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

It was noted through documents review that the facility did not conduct fire drill from Bangladesh Fire Service and Civil Defence (BFSCD) within last 6 months. Noted that the facility applied for fire drill to BFSCD on October 06, 2021 and conducted internal fire drill on January 05, 2022.

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.

In accordance with The Bangladesh Labour Rules, 2015, Rule 55 (14): As per Section 62(8), fire drills and emergency evacuation drills have to be arranged at least once in every six-month period and the same has to be preserved in respective record books, in accordance with Form- 22. In addition, the concerned Inspector and nearby Fire Service Station have to be informed minimum 15 days before the drills are held.

Recommended corrective action: It is recommended that the facility shall conduct fire drill from Bangladesh Fire Service and Civil Defence (BFSCD) at least once in every six months period.

Action by: Abdullah Al Mamun, Manager (HR, Admin & Compliance)

Timescale: 30 Days.

4. Description of non-compliance:

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

3. Based on documents review

4. Based on facility tour and documents review

It was noted during facility tour and documents review that the actual layout of 4th floor did not match with the approved floor layout plan. As per approved layout plan, there should be knitting section, but there were found the finished goods and trim store at 4th 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.

In accordance with The Bangladesh Labour Rules 2015, Rule 353 (1): Before use, change or expansion of any houses, building or premises as factory, approval in writing of the inspector general or any officer empowered by him shall be taken. Provided, however, that the inspector general or any officer empowered by him shall not sanction any approval without any inspection on the spot.

Recommended corrective action: It is recommended that the facility shall obtain new approved floor layout plan based on actual floor layout from the concerned authority.

Action by: Abdullah Al Mamun, Manager (HR, Admin & Compliance)

Timescale: 90 Days.

5. Description of non-compliance:

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

It was noted during facility tour that at the sewing section of 2nd floor-

- i) Lower pulley guards were found not fully covered with 7 out of 7 overlock machines.
- ii) 15 out of 15 bartack machines did not have any needle guards.

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.

In accordance with The Bangladesh Labour Act, 2006, Section 63 (1- d, 3): (1) In every establishment the following machinery, while in motion or in use, shall be securely fenced by the safeguards of substantial construction, namely: (d) unless the following machinery are in such position or of such construction as to be safe to every person employed in the establishment as they would be if they were securely fenced (iii) every dangerous part of any machinery:

5. Based on facility tour
NC Picture No. 03 & 04

Recommended corrective action: It is recommended that the facility management shall ensure the machine safety guards in appropriate position with the mentioned machines.

Action by: Abdullah Al Mamun, Manager (HR, Admin & Compliance)

Timescale: 30 Days.

6. Description of non-compliance:

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

It was noted during facility tour that approximately 50% workers of jacquard section were not using earplugs at the ground floor of the factory building.

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.

In accordance with The Bangladesh Labour Rules, 2015, Section 67 (2 & 3): 2) In addition to the arrangement of safety and health protection measures mentioned in Sub-section (1), the concerned manufacturing institute must provide necessary equipment's, 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 equipment's must be preserved in accordance with Information Form-23.

Recommended corrective action: It is recommended that the facility management shall ensure the usage of earplugs to all the workers of jacquard section during work.

Action by: Abdullah Al Mamun, Manager (HR, Admin & Compliance)

Timescale: 30 Days.

7. Description of non-compliance:

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

It was noted during facility tour and documents review that noise risk was not identified in the risk assessment for the highly noisy area like winding section, linking section and winding section.

Local law and/or ETI requirement:

6. Based on facility tour
NC Picture No. 05

7. Based on facility tour
and documents review

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.

In accordance with The Bangladesh Labour Rules 2015, Schedule 4, Section (1)-(b) & (c): (b) To identify professional risks and deficiencies related to health and safety as per check list prepared under this schedule and recommend to owner or authority necessary measures to remove them; (c) To review matters related to ensuring professional health and safety the work place and workers therein, to recommend measures to the owner and the authority and to provide workers, employees and all concerned in this regard and raise their consciousness;

Recommended corrective action: It is recommended that the facility management should conduct risk assessment completely in the mentioned areas.

Action by: Abdullah Al Mamun, Manager (HR, Admin & Compliance)

Timescale: 60 Days.

8. Description of non-compliance:

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

It was noted during facility tour that two eye wash stations were found non-functional and without paddle push in the washing section and chemical store at the ground 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.

In accordance with The Bangladesh Labour Act, 2006, Section 78 (2): Where in any establishment the plant or machinery used in a process is not so constructed as to withstand the probable pressure which is produced in the case of such explosion, all practicable measures shall be taken to restrict the spread and effects of the explosion by the provision of chokes, baffles, vents or any other effective apparatus in the plant or machinery.

Recommended corrective action: It is recommended that the facility shall ensure functional eyewash station with adequate water pressure and paddle push system.

Action by: Abdullah Al Mamun, Manager (HR, Admin & Compliance)

**8. Based on facility tour
NC Picture No. 06 & 07**

Timescale: 60 Days.	
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Observation:	
Description of observation: None Observed Local law or ETI requirement: Not Applicable Recommended corrective action: Not Applicable	Objective evidence observed: Not Applicable

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

4: Child Labour Shall Not Be Used

[\(Click here to return to summary of findings\)](#)

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

ETI

- 4.1 There shall be no new recruitment of child labour.
- 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.
- 4.3 Children and young persons under 18 shall not be employed at night or in hazardous conditions.
- 4.4 These policies and procedures shall conform to the provisions of the relevant ILO Standards.

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:

- The facility has established a practice that they will never employ and use any child labour.
- The facility verifies all workers' original national ID card, birth certificate etc. at the time of recruitment and keeps the photocopies of workers' ID cards, birth certificate in their personal files.
- Factory verifies the workers age through registered doctors.
- Sampling basis employees' personal files was taken for review. Each employee file included a bio-data sheet, recent photo, birth registration certificate / photocopied national identification card and other documents.
- There was no child or young employee observed in the facility.
- It was evident during the documents review; the age of youngest worker is above 19 years old (DOB: 28th December 2002 & DOJ: 1st February 2022). During the facility walkthrough, there were no concerns regarding child labour observed.

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

Details:

- 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

Any other comments: None

A: Legal age of employment:	14+ years with significant restriction
B: Age of youngest worker found:	19+ 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 E1: If yes, give details: Not Applicable

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: 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

[\(Click here to return to summary of findings\)](#)

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

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:

- Based on the Gazette Notification, the actual lowest minimum wage in the facility is BDT 8,000 per month.
- Time keeping Manual Time Card system.
- All workers are 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.
- Each employee was given a pay slip and signed for their wages.
- All employees were paid within 7 working days of the following month.
- Employees are aware of their minimum wage.
- Wages have been recorded according to documents checked.
- According to the documents which were provided by the HR & Accounts Departments and through the workers' interview, it was noted that factory provides all kinds of leave. Maternity leave and earn leave 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 11 days' festival leave.

One good example was found in the area of "Living wages and benefits". For details, please refer to contents of one 'Good example'.

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 February 2021 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: None

Non-compliance:	
<p>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</p>	<p>Objective evidence observed: Not Applicable</p>

Observation:	
<p>Description of observation: None observed Local law or ETI requirement: Not Applicable Comments: Not Applicable</p>	<p>Objective evidence observed: Not Applicable</p>

Good Examples observed:	
<p>Description of Good Example (GE):</p> <p>1. The facility arranges yearly picnic for the workers.</p>	<p>Objective Evidence Observed: 1. Based on management and workers interview</p>

Summary Information

Criteria	Local Law <i>(Please state legal requirement)</i>	Actual at the Site <i>(Record site results against the law)</i>	Is this part of a Collective Bargaining Agreement?
A: Standard/Contracted work hours: <i>(Maximum legal and actual required working hours excluding overtime, please state if possible per day, week, and month)</i>	Legal maximum: 08 hours per day 48 hours per week	A1: 08 hours per day 48 hours per week	A2: <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
B: Overtime hours: <i>(Maximum legal and actual overtime hours, please state if possible per day, week, and month)</i>	Legal maximum: 2 hours/ day and 12 hour/ week	B1: 02 hours/ day and 12 hour/ week	B2: <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No

<p>C: Wage for standard/contracted hours: <i>(Minimum legal and actual minimum wage at site, please state if possible per hr, day, week, and month)</i></p>	<p>Legal minimum: for the Garments division 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</p>	<p>C1: Site minimum for the Garments division: 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</p>	<p>C2: <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No</p>
<p>D: Overtime wage: <i>(Minimum legal and actual minimum overtime wage at site, please state if possible per hr, day, week, and month)</i></p>	<p>Legal minimum: 200% of basic wage</p>	<p>D1: 200% of basic wage</p>	<p>D2: <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No</p>

<p align="center">Wages analysis: (Click here to return to Key Information)</p>	
<p>A: Were accurate records shown at the first request?</p>	<p><input checked="" type="checkbox"/> Yes <input type="checkbox"/> No</p>
<p>A1: If No, why not?</p>	<p>Not applicable</p>
<p>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></p>	<p>42 samples from the month of February 2021 (Initial month) 42 samples from the month of September 2021 (Peak month) 42 samples from the month of January 2022 (Current month)</p>
<p>C: Are there different legal minimum wage grades? If Yes, please specify all.</p>	<p><input checked="" type="checkbox"/> Yes <input type="checkbox"/> No</p> <p>C1: If Yes, please give details: The Garments division (Knitting, Cutting, Sewing, finishing and packing) of the factory employees get their payment as per Garments Gazette pay structure. 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. There are two separate pay structures; for the garment workers (Schedule A)</p> <p>1. For the workers (Schedule A):</p>

		<table border="1"> <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 colspan="6">Apprentice</td> <td>Tk. 5975</td> </tr> </tbody> </table> <p>2. For the staff level (Schedule B) employees:</p> <table border="1"> <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 colspan="6">Apprentice</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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<p>D: If there are different legal minimum grades, are all workers graded and paid correctly?</p>	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A	<p>D1: If No, please give details: Not Applicable</p>																																																																																																									
<p>E: For the lowest paid production workers, are wages paid for standard/contracted hours (excluding overtime) below or above the legal minimum?</p>	<input type="checkbox"/> Below legal min <input checked="" type="checkbox"/> Meet <input checked="" type="checkbox"/> Above	<p>E1: Lowest actual wages found: The actual lowest minimum wage in the facility was BDT. 8,000 per month. This is government declaring legal minimum wage.</p>																																																																																																									
<p>F: Please indicate the breakdown of workforce per earnings:</p>	<p>F1: <u>0</u>% of workforce earning under minimum wage F2: <u>7.83</u>% of workforce earning minimum wage F3: <u>92.17</u>% of workforce earning above minimum wage</p>																																																																																																										
<p>G: Bonus Scheme found: Please specify details:</p>	<p>Bonus Scheme found: 1. The facility provides festival bonus 50% of basic salary each during Eid Ul Fitr and Eid Ul Azha after completing one year.</p>																																																																																																										
<p>H: What deductions are required by law e.g. social insurance? Please state all types:</p>	<p>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, the factory is deducting only for un-authorized absence and revenue stamp deduction.</p>																																																																																																										

I: Have these deductions been made?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	I1: Please list all deductions that have been made.	1. Absent deduction in case of worker is absent as per law. 2. Revenue Stamp Please describe: The factory deducted for absent and revenue stamp.
		I2: Please list all deductions that have not been made.	1. Social group insurance Please describe: The factory did not deduct for 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	K1: Type <input type="checkbox"/> Poor record keeping <input type="checkbox"/> Isolated incident <input type="checkbox"/> Repeated occurrence:	
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 L1: 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: Please see SMETA Best Practice Guidance and Measurement Criteria.</i>	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No M1: Please specify amount/time: Factory did not define living wages as it is not required by law. However, factory is providing the minimum wage as Minimum Wages Gazette for Readymade Garments Sector published on 24 th January, 2019.		
M2: 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 N1: Please give details: At least 5% of basic wages shall be increased yearly.		
O: Are workers paid in a timely manner in line with local law?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No		

<p>P: Is there evidence that equal rates are being paid for equal work:</p>	<p><input checked="" type="checkbox"/> Yes <input type="checkbox"/> No P1: Please give details: Based on employees' interview, copy of appointment letter issued to employees and wage records, it was noted that equal rates are paid for equal work.</p>
<p>Q: How are workers paid:</p>	<p><input checked="" type="checkbox"/> Cash <input type="checkbox"/> Cheque <input type="checkbox"/> Bank Transfer <input type="checkbox"/> Other Q1: If other, please explain:</p>

6: Working Hours are not Excessive

[\(Click here to return to summary of findings\)](#)

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

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:

- In this audit, auditor had randomly selected production record, such as: Material in/out records, daily production reports, and crosschecked these records with payroll records and attendance records, no inconsistency was noted. In addition, through employees' interviews, no inconsistency was noted either.
- Through employees' interview, overtime is voluntary.
- Time cards are completed by manually.
- All overtime is compensated at a premium rate for all employees.
- The time frame of the records reviewed are as follows:
 - 42 samples from the month of February 2021 (Initial month)
 - 42 samples from the month of September 2021 (Peak month)
 - 42 samples from the month of January 2022 (Current month)

According to time records and worker interview basic working hours were 8 hours per day and a max 48 hours per week. Maximum OT was 02 hours per day and 12 hours per week were found in the two sample months. The employee works for 06 days in a week. Weekend of the factory was Friday. The general working hours for all section in the factory on one shift from 08:00 to 17:00 (Saturday to Thursday and Friday is day off) with 60 minutes' lunch break (02 shift) from 12:30 to 13:30 & 13:00 to 14:00 except Knitting (Jacquard)

section works on two shifts with weekly holidays on Friday, shift-A from 08:00 to 17:00 & Shift-B from 20:00 to 05:00 with one-hour meal break. Only security has three shifts per eight hours each with rostering schedule of break & weekend.

One non-compliance was found in the area of "Working Hours". For details please refer to contents of 'Non-compliance'.

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 February 2021 to the audit day.
6. Manual attendance 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:

It was noted through documents review and management interview that the facility maintained manual time records for all workers, which did not reflect actual time e.g. in time and out time. For example: Workers of their working time started from 08:00 AM to 05:00 PM. The factory had kept records in the time card of in time 08:00 AM and out time 05:00 PM manually in every day for each person. It means, when any workers reached the factory 5 or 15 minutes before or after it was never reflected the actual time of entrance and leave time of all the workers in the job cards.

Local law and/or ETI requirement:

In accordance with ETI Base Code 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.

Recommended corrective action: It is recommended that the factory shall establish automatic/ electronic time keeping system for all of their workers.

Action By: Abdullah Al Mamun, Manager (HR, Admin & Compliance)

Timescale: 90 Days.

Objective evidence observed:

1. Based on documents review and management interview

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.	Describe: Attendance and work timings (including OT) record was maintained by manual time card system.
B: Is sample size same as in wages section?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No B1: If no, please give details: Not Applicable
C: Are standard/contracted working hours defined in all contracts/employment agreements?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No C1: If NO, please give details including % and which type of workers do NOT have standard hours defined in contracts/employment agreements. Please give details: Not Applicable
D: Are there any other types of contracts/employment agreements used?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
	D1: If YES, please complete as appropriate: <input type="checkbox"/> 0 hrs <input type="checkbox"/> Part time <input type="checkbox"/> Variable hrs <input type="checkbox"/> Other
	If "Other", Please define: Not Applicable
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 E1: If yes , please detail hours, %, types of workers affected and frequency Please give details: Not Applicable

<p>F: Are workers provided with at least 1 day off in every 7-day-period, or 2 in 14-day-period?</p>	<p>F2: Please select all applicable: <input checked="" type="checkbox"/> 1 in 7 days <input type="checkbox"/> 2 in 14 days <input type="checkbox"/> No If 'No', please explain:</p>	<p>F3: Is this allowed by local law? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No</p>
	<p>Maximum number of days worked without a day off (in sample):</p>	
	<p>The factory worked maximum 6 days in a week without a day off.</p>	
<p>Standard/Contracted Hours worked</p>		
<p>G: Were standard working hours over 48 hours per week found?</p>	<p><input type="checkbox"/> Yes <input checked="" type="checkbox"/> No</p>	<p>G1: If yes, % of workers & frequency:</p>
		<p>Not Applicable</p>
<p>H: Any local waivers/local law or permissions which allow averaging/annualised hours for this site?</p>	<p><input type="checkbox"/> Yes <input checked="" type="checkbox"/> No</p>	<p>H1: If yes, please give details:</p>
		<p>Not Applicable</p>
<p>Overtime Hours worked</p>		
<p>I: Actual overtime hours worked in sample (State per day/week/month)</p>	<p>Highest OT hours: 0 hour in the month of February 2021 (Initial month) 52 hours in the month of September 2021 (Peak month) 54 hour in the month of January 2022 (Current month)</p>	
<p>J: Combined hours (standard or contracted + overtime hours = total) over 60 found? Please give details:</p>	<p><input type="checkbox"/> Yes <input checked="" type="checkbox"/> No</p>	
<p>K: Approximate percentage of total workers on highest overtime hours:</p>	<p>__16.67__%</p>	
<p>L: Is overtime voluntary?</p>	<p><input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> Conflicting Information</p>	<p>L1: Please detail evidence e.g. Wording of contract / employment agreement / handbook / worker interviews / refusal arrangements: 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.</p>
<p>Overtime Premiums</p>		
<p>M: Are the correct legal overtime premiums paid?</p>	<p><input checked="" type="checkbox"/> Yes <input type="checkbox"/> No</p>	<p>M1: Please give details of normal day overtime premium as a % of standard wages: 200% of basic wages as overtime rate.</p>

	<input type="checkbox"/> N/A – there is no legal requirement to OT premium	
N: Is overtime paid at a premium?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	<i>N1: If yes, please describe % of workers & frequency:</i> 100% workers receive 200% of basic wages as overtime rate if they need to overtime work.
O: If the site pays less than 125% OT premium and this is allowed under local law, are there other considerations? Please complete the boxes where relevant.	<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	
	O1: 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.	<input 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)	
	P1: Please explain any checked boxes above e.g. detail of consolidated pay / CBA or other:	
	Not Applicable	
Q: Is there evidence that overtime hours are being used for extended periods to make up for labour shortages or increased order volumes?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No Q1: If yes, please give details: Not Applicable	
R: If sufficient workers cannot be hired, are new working time arrangements explored to ensure that overtime is the exception rather than the rule.	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	

7: No Discrimination is Practiced

[\(Click here to return to summary of findings\)](#)

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:

- 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.
- Gender discrimination was also absent in the facility; both female and male workers were distributed in all types of work.
- There was no evidence of sexual harassment.
- There was an internal grievance process, all sampled employees were aware of the grievance channels in case they encountered any discrimination cases.
- The factory provides the same wage amount to male/female employees of the same rank.
- There is no restriction for formation of trade union in the factory.

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 records
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)	A1: Male: <u> 80 </u> % A2: Female <u> 20 </u> %
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,	<input type="checkbox"/> Hiring <input type="checkbox"/> Compensation <input type="checkbox"/> Access to training <input type="checkbox"/> Promotion

gender, marital status, sexual orientation, union membership or political affiliation?:	<input type="checkbox"/> Termination or retirement <input checked="" type="checkbox"/> No evidence of discrimination found C1: Please give details: As per documents review, management & workers interview, there was no evidence of discrimination based on race, caste, national origin, religion, age, disability, gender, marital status, sexual orientation, union membership or political affiliation.
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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.

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: Based on documents review and management & workers interview, it was observed that promotion, training, compensation decisions are made by HR Department.
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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: None Observed

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

[\(Click here to return to summary of findings\)](#)

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

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:

- 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 auditors.
- All workers getting signed labour contract and ID card during their recruitment.
- Factory maintains service books for all workers.
- 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.
- No temporary worker, apprenticeship schemes or home worker was identified by the auditors.

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 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</p>	<p>Objective evidence observed: Not Applicable</p>

Observation:	
<p>Description of observation: None Observed Local law or ETI requirement: Not Applicable 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 A1: If any are unchecked, please describe finding and specific category(ies) of workers affected: Not applicable</p>
<p>B: Did workers' pay any fees, taxes, deposits or bonds for the purpose of recruitment/placement?</p>	<p><input type="checkbox"/> Yes <input checked="" type="checkbox"/> No B1: If yes, please describe details and specific category(ies) of workers affected: Not applicable</p>

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 – C1: If 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 or permanent resident 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 was found in the facility
B: Please give details about recruitment agencies for migrant workers:	B1: Total number of (in country recruitment agencies) used: B2: Total number of (outside of local country) recruitment agencies used: Not applicable
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 C1: Please describe finding: Not applicable C2: Observations: Not applicable
D: Are Any migrant workers in skilled, technical, or management roles <i>Migrant Workers (this should include all migrant workers including permanent workers, temporary and/or seasonal workers)</i>	<input type="checkbox"/> Yes <input type="checkbox"/> No D1: If yes, number and example of roles: Not applicable

NON-EMPLOYEE WORKERS

Recruitment Fees:	
A: Are there any fees?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
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 B1 – If 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):	A1: Names if available: Not applicable
B: Were agency workers' age / pay / hours included within the scope of this audit?	Not applicable
C: Were sufficient documents for agency workers available for review?	Not applicable
D: Is there a legal contract / agreement with all agencies?	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 E1: 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 A1: 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 C1: 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

[\(Click here to return to summary of findings\)](#)

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

8A.1 There should be no sub-contracting unless previously agreed with the main client.

8A.2 Systems and processes should be in place to manage sub-contracting, homeworking and external processing.

Note to auditor on homeworking:

Report on whether it is direct or via agents. How many workers, relationship with site and what control systems are in place.

Note to auditor on subcontracting: 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

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 Site and estimated capacity)
2. Materials in/out records
3. Management interview
4. 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:

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 A1: Please describe:
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 B1: If Yes , summarise details:
C: Number of sub-contractors/agents used:	
D: Is there a site policy on sub-contracting?	<input type="checkbox"/> Yes <input type="checkbox"/> No D1: If Yes , summarise details:
E: What checks are in place to ensure no child labour is being used and work is safe?	

Summary of homeworking – if applicable			
<input checked="" 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 A1: If Yes , summarise details:		
B: Number of homeworkers	B1: Male:	B2: Female:	Total:
C: Are homeworkers employed direct or through agents?	<input type="checkbox"/> Directly <input type="checkbox"/> Through Agents		C1: If through agents, number of agents:

D: Is there a site policy on homeworking?	<input type="checkbox"/> Yes <input type="checkbox"/> No	
E: How does the site ensure worker hours and pay meet local laws for homeworkers?		
F: What processes are carried out by homeworkers?		
G: Do any contracts exist for homeworkers?	<input type="checkbox"/> Yes <input type="checkbox"/> No G1: Please give details:	
H: Are full records of homeworkers available at the site?	<input type="checkbox"/> Yes <input type="checkbox"/> No	

9: No Harsh or Inhumane Treatment is Allowed
[\(Click here to return to summary of findings\)](#)

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

<p>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 3rd party?</p>	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <p>A1: Please give details: Through direct supervisors, managers, suggestion box and workers participation committee.</p>
<p>B: If Yes, are workers aware of these channels and have access? Please give details.</p>	<p>Workers can share their concern with Welfare Officer; drop to their complaint into suggestion box and even go to the top management.</p>
<p>C: If yes, what type of mechanism is used e.g. hotline, whistle blowing mechanism, comment box etc. Please give details.</p>	<p>Suggestion box and Welfare Officer.</p>
<p>D: Which of the following groups is there a grievance mechanism in place for?</p>	<input checked="" type="checkbox"/> Workers <input type="checkbox"/> Communities <input type="checkbox"/> Suppliers <input type="checkbox"/> Other <p>D1: Please give details: All workers were aware of these processes; suggestion box was known by the workers. Also, workers can share their concern with workers representatives; drop them complains into suggestion box and even go to the top management.</p>
<p>E: Are there any open disputes?</p>	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No <p>E1: If yes, please give details: Not Applicable</p>
<p>F: Does the site encourage its business partners (e.g. suppliers) to provide individuals and communities with access to effective grievance mechanisms (e.g. helplines or whistle blowing mechanism)</p>	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No <p>F1: If no, please give details: The site does not have any mechanism to encourage its' business partners to provide individuals and communities with access to effective grievance mechanisms.</p>
<p>G: Is there a published and transparent disciplinary procedure?</p>	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <p>G1: If no, please explain</p>

<p>H: If yes, are workers aware of these the disciplinary procedure?</p>	<p><input checked="" type="checkbox"/> Yes <input type="checkbox"/> No</p> <p>H1: If no, please give details: Not Applicable</p>
<p>I: Does the disciplinary procedure allow for deductions from wages (fines) for disciplinary purposes (see wages section)?</p>	<p><input checked="" type="checkbox"/> Yes <input type="checkbox"/> No</p> <p>I1: If yes, please give details: Absent deduction in case of worker is absent as per law.</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:

- The facility has established anti-harassment or inhumane treatment policy. The policy states that physical abuse or discipline, the threat of physical abuse, sexual or other harassment and verbal abuse or other forms of intimidation shall be prohibited.
- Anti-harassment issue is also covered in employee training.
- Through the factory management and employees' interview, it was noted that no physical abuse happened in the factory.
- There is an internal process for grievance, which is through grievance box where an employee can report any grievances (harassment, discrimination etc.) anonymously, any received complaint will be handled by management, without any reprisal for the worker in question.

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

Details:

- The relevant policy on prevention of harassment and abuse
- Internal grievance procedure documentation.
- Training records
- Management interview and employee interview

Any other comments: None

Non-compliance:

<p>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</p>	<p>Objective evidence observed: Not Applicable</p>
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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

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

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

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:

- Per document review, factory management representation and workers 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.
- 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. Workers handbook
4. Workers 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:

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 10B2: Environment 2–Pillar

[\(Click here to return to summary of findings\)](#)

To be completed for a 2–Pillar SMETA Audit, and remove the following page which is 10B4 environment 4 pillar

10B2.1 Suppliers must comply with the requirements of local and international laws and regulations including having necessary permits.

10B2.2 The supplier should be aware of and comply with their end clients' environmental requirements. Note for auditors and readers, this is not a full environmental assessment but a check on basic systems and management approach.

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:

- The factory had established an environmental policy, covering their environmental impact, which is communicated to all appropriate parties, including its own suppliers.
- Abdullah Al Mamun, Manager (HR, Admin & Compliance)- Environment Officer is responsible to take care about environmental requirement.
- The factory management maintained all legally required environmental documents in place which proved that the production of the factory followed the related environmental regulations including the report of Air, Noise, Humidity test report from 3rd party.
- Factory had conducted noise and air emission test which parameter within the legal requirement.
- Based on workers interview it was observed 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 sought to make continuous improvements in their environmental performance.

Two non-compliances were found in the area of "10B2: Environment 2-Pillar". For details please refer to contents of non-compliances.

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

Details:

1. Environmental policy and procedures
2. Test Report
3. Management interview
4. Worker interview
5. Site tour.

Any other comments: None.

Non-compliance:

1. Description of non-compliance:

NC against ETI/Additional Elements NC against Local Law

It was noted during documents review that Environmental Clearance Certificate (No. 21-57510) was expired on January 26, 2022. Noted that the facility applied for renewal on February 07, 2022, which was not prior to one month of the expiry date.

Local law and/or ETI/Additional Elements requirement:

In accordance with Additional Elements 10B2.1: Suppliers must comply with the requirements of local and international laws and regulations including having necessary permits.

In accordance with The Environmental Conservation Rules 1997, Rule 8 (2): Each Environmental Clearance Certificate shall have to be renewed at least thirty days before expiry of its validity period.

Recommended corrective action: It is recommended that the facility shall obtain Environmental Clearance Certificate (ECC) from the concern authority.

Action By: Abdullah Al Mamun, Manager (HR, Admin & Compliance)

Timescale: 90 Days.

2. Description of non-compliance:

NC against ETI/Additional Elements NC against Local Law

It was noted during floor visit that wastages were not segregated as per its types of hazards at the wastage room on 6th floor of factory building.

Local law and/or ETI/Additional Elements requirement:

In accordance with Additional Elements 10B2.1: Suppliers must comply with the requirements of local and international laws and regulations including having necessary permits.

In accordance with The Bangladesh Labour Act, 2006, Section 54: Effective arrangements shall be taken in every establishment for disposal of wastes and effluents due to manufacturing process carried on therein.

Recommended corrective action: It is recommended that facility management should segregate all the wastage according to its types of hazards.

Action By: Abdullah Al Mamun, Manager (HR, Admin & Compliance)

Timescale: 30 Days.

Objective evidence observed:

1. Based on documents review

2. Based on floor visit
NC Photo No. 08

Observation:

<p>Description of observation: None Observed</p> <p>Local law or ETI/additional elements requirement: Not Applicable</p> <p>Comments: Not Applicable</p>	<p>Objective evidence observed: Not Applicable</p>
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<p>Good examples observed:</p>	
<p>Description of Good Example (GE): None Observed</p>	<p>Objective Evidence Observed: Not Applicable</p>

Other findings

Other Findings Outside the Scope of the Code
None Observed

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

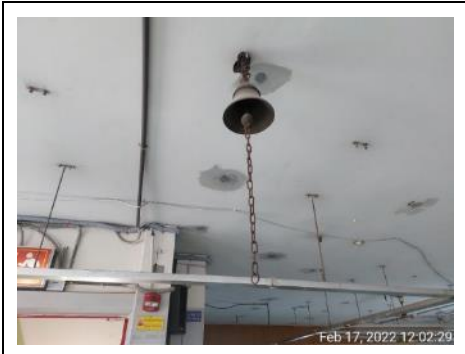











Appendix 1

<p>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."</p> <p style="text-align: center;"><input checked="" type="checkbox"/> Not Applicable please x</p>

Photo Form


<p>Factory Name</p>	<p>Factory Main Gate</p>	<p>Factory Building</p>
<p>Rooftop</p>	<p>Lightning Arrester</p>	<p>Winding Section</p>
<p>Jacquard Section</p>	<p>Linking Section</p>	<p>Trimming Section</p>
<p>Mending Section</p>	<p>Washing Section</p>	<p>Finishing Section</p>

<p>Feb 17, 2022 12:03:14</p>	<p>Feb 17, 2022 12:05:42</p>	<p>Feb 17, 2022 11:51:34</p>
<p>Ironing Section</p>	<p>Packing Section</p>	<p>Yarn Store</p>
<p>Feb 17, 2022 11:51:48</p>	<p>Feb 17, 2022 11:57:10</p>	<p>Feb 17, 2022 11:50:38</p>
<p>Accessories Store</p>	<p>Finished Goods Area</p>	<p>Emergency Evacuation Plan</p>
<p>Feb 17, 2022 11:54:03</p>	<p>Feb 17, 2022 11:55:44</p>	<p>Feb 17, 2022 11:52:42</p>
<p>Fire Extinguisher</p>	<p>Fire Hose Pipe</p>	<p>Firefighting Equipment</p>
<p>Feb 17, 2022 12:21:09</p>	<p>Feb 17, 2022 12:02:35</p>	<p>Feb 17, 2022 11:53:50</p>
<p>Fire Hydrant Pump</p>	<p>Fire Alarm Switch</p>	<p>Fire Alarm Bell</p>

		
<p>Gong Bell</p>	<p>PA System</p>	<p>Fire Monitoring Panel</p>
		
<p>Exit Sign</p>	<p>Policy Board</p>	<p>First Aid Box</p>
		
<p>Medical Room</p>	<p>Child Care Room</p>	<p>Drinking Water Point</p>
		
<p>Facility Staircase</p>	<p>Dining Hall</p>	<p>Grievance Box</p>

		
<p>Boiler</p>	<p>Generator</p>	<p>Transformer</p>

Non-compliance photo

		
<p>Linking machines were installed near the wall without confirming 0.75m space NC Picture No. 01</p>	<p>Bartack machine were installed near the wall without confirming 0.75m space NC Picture No. 02</p>	<p>Lower pulley guards were found not fully covered with overlock machines NC Picture No. 03</p>
		
<p>Bartack machine did not have any needle guard NC Picture No. 04</p>	<p>Workers of jacquard section were not using earplugs NC Picture No. 05</p>	<p>Eye wash station were found non-functional and without paddle push in the washing section NC Picture No. 06</p>

	
<p>Eye wash station was found non-functional and without paddle push in the chemical store NC Picture No. 07</p>	<p>Wastages were not segregated as per its types of hazards NC Picture No. 08</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

[Click here for Supplier \(B\) members:](#)

http://www.surveymonkey.com/s.aspx?sm=d3vYsCe48fre69DRgIY_2brg_3d_3d

[Click here for Auditors:](#)

<https://www.surveymonkey.co.uk/r/BRTVCKP>