




Sedex Members Ethical Trade Audit Report

Version 6.1



Audit Details				
Sedex Company Reference: (only available on Sedex System)	ZC: 419720883	Sedex Site Reference: (only available on Sedex System)	ZS: 419816057	
Business name (Company name):	Babylon Dresses Ltd.			
Site name:	Babylon Dresses Ltd.			
Site address: (Please include full address)	Plot # 242-243, Tetulzhora, Hemayetpur, Savar, Dhaka	Country:	Bangladesh	
Site contact and job title:	Mr. Atiqul Islam Apu, Asst. General Manager (HR, Admin & Compliance)			
Site phone:	+8801719463252	Site e-mail:	apuhrd@babylon-bd.com	
SMETA Audit Pillars:	<input checked="" type="checkbox"/> Labour Standards	<input checked="" type="checkbox"/> Health & Safety (plus Environment 2-Pillar)	<input checked="" type="checkbox"/> Environment 4-pillar	<input checked="" type="checkbox"/> Business Ethics
Date of Audit:	18th June 2022			

Audit Company Name & Logo:  GSCS International Ltd.	Report Owner (payer): Babylon Dresses Ltd.
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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: Md. Hasan (RA 21703925)

Lead auditor APSCA status: In Good Standing

Team auditor: Md. Anisur Rahman (ASCA 21705696), Farida Parvin (ASCA 21705003) and Md. Abdullah Al-Mamun (ASCA 32200120)

Interviewers: Md. Hasan (RA 21703925), Md. Anisur Rahman (ASCA 21705696) and Farida Parvin (ASCA 21705003)

Report writer: Md. Hasan

Report reviewer: Naznin Kabir Tithi

Date of declaration: 18th June 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 (please click on the issue title to go direct to the appropriate audit results by clause) Note to auditor, please ensure that when issuing the audit report, hyperlinks are retained.		Area of Non-Conformity (Only check box when there is a non-conformity, and only in the box/es where the non-conformity can be found)				Record the number of issues by line*:			Findings (note to auditor, summarise in as few words as possible NCs, Obs and GE)
		ETI Base Code	Local Law	Additional Elements	Customer Code	NC	Obs	GE	
0A	Universal Rights covering UNGP			<input type="checkbox"/>	<input type="checkbox"/>		0	0	None Observed
0B	Management systems and code implementation		<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	01	01	02	<p>Summary of Non-compliance:</p> <p>1. It was noted during document review and management interview that the facility is operating 1 boiler machine without having license from concern authority. Note that the facility has applied for the boiler registration number and obtain license to the concerned authority on 9th June 2022 but did not receive any feedback yet.</p> <p>Summary of Observation:</p> <p>1. The facility use one diesel generator (604.8 Kw) and license was under the Aboni Fashions Limited but the licensing company changed their location. However, the facility has already applied to the concerned authority to change the name of the license. Note that the license is valid until 2nd July 2022.</p> <p>Summary of Good examples:</p>

									<p>1. The facility provides free food to all pregnant workers for their nutrition.</p> <p>2. The facility provides scholarship to the children of workers & officers of the facility who passed and achieved good score in the Board Examination.</p>
1.	<u>Freely chosen Employment</u>	<input type="checkbox"/>	<input type="checkbox"/>		<input type="checkbox"/>	0	0	0	None Observed
2	<u>Freedom of Association</u>	<input type="checkbox"/>	<input type="checkbox"/>		<input type="checkbox"/>	0	0	0	None Observed
3	<u>Safety and Hygienic Conditions</u>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>		<input type="checkbox"/>	06	0	0	<p>Summary of Non-compliances:</p> <p>1. The factory did not install the interconnected smoke detection system and integrated fire-alarming system throughout the factory. Noted that the facility had sufficient manual fire alarm and smoke detection system in the factory. In addition, they already opened the Letter of Credit (LC) to import installation goods (the automated smoke detection & fire alarm system).</p> <p>2. a) Around 20% of needle guards with sewing (plain) machines were misplaced at sewing section. b) Safety barrier was missing with 01 out of 01 band knife cutting machine.</p> <p>3. The facility did not provide exit directional sign from the production floors at production shed-2.</p> <p>4. In the medical room, below elements were found missing: I. 1-wheel chair;</p>

									<p>II. 2 buckets or pots with closely-fitted lids; III. 1 coated pot of hot and cold water; IV. 6 woollen blankets and V. Tetanus serum</p> <p>5. (a) Approximately 45% of the firefighters were not properly aware about the types of fire extinguishers, types of fire, usage of firefighting equipment and his/ her duties during fire.</p> <p>(b) Approximately 38% of the first aiders were not well aware about first aid medicines, kits and preliminary treatment procedures.</p> <p>6. It was noted through document review, workers and management interview that the facility did not have any certified fire fighter, rescuer and first aiders form BFSCD (Bangladesh Fire Service and Civil Defence). Note that facility needed 100 certified fire fighter, rescuer and first aiders form Fire Service Civil Defence according to 552 employees.</p> <p>Note that, the facility already applied to the concern authority for fire training but did not received any feedback yet. However, facility had internally fire fighters.</p>
4	<u>Child Labour</u>	<input type="checkbox"/>	<input checked="" type="checkbox"/>		<input type="checkbox"/>	01	0	0	<p>Summary of Non-compliance:</p> <p>1. (i)The childcare room of the factory was not adequately furnished as per law. (ii) There was a not trained woman for taking care of children.</p>
5	<u>Living Wages and Benefits</u>	<input type="checkbox"/>	<input checked="" type="checkbox"/>		<input type="checkbox"/>	01	0	01	<p>Summary of Non-compliance:</p>

									<p>1. It was noted through documents review and management interview that the facility has no group insurance facility for the workers. Note that the facility has already applied & deposited the amount of Group insurance to concern authority on 15th January 2022 but did not receive certificate yet.</p> <p>Summary of Good example: 1. The facility provides monthly attendance bonus BDT. 300 to all Asst. Operators, BDT. 400 to all Loader & Cleaner, BDT. 500 to all Operator, Sr. Operators & Quality Inspector as per factory policy.</p>
6	<u>Working Hours</u>	<input type="checkbox"/>	<input type="checkbox"/>		<input type="checkbox"/>	0	0	0	None Observed
7	<u>Discrimination</u>	<input type="checkbox"/>	<input type="checkbox"/>		<input type="checkbox"/>	0	0	0	None Observed
8	<u>Regular Employment</u>	<input type="checkbox"/>	<input 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 type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	NA	NA	NA	No applicable as it is a 4-Pillar Audit
10B4	<u>Environment 4-Pillar</u>		<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	0	0	01	<p>Summary of Observation: 1. The facility has no tracking system for groundwater consumption and waste generation. The facility does not segregate hazardous and non-hazardous waste.</p>

10C	Business Ethics		<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	0	0	0	None Observed
General observations and summary of the site:									
<p>Babylon Dresses Ltd. was located at Plot#242-243, Tetulzhora, Hemayetpur, Savar, Dhaka, Bangladesh. The site was established in year 2022. This full Initial audit was conducted by four 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 4-Pillar SMETA systems.</p> <p>The factory specialized in manufacturing of all kinds of woven garments. The main production process is Cutting, Sewing, Finishing & Packing. The total factory area was around 33,006 square feet and the production area was around 30,006 square feet. The factory has no obvious peak/ off peak season. Production capacity is around 80,000 pieces per month.</p> <p>In view of facilities, the factory has 01 building & 07 sheds.</p> <p>Total man power of the factory is 573. On the day of audit, there were 548 workers (Male-296 & Female-252) in the factory in which 507 production workers and 41 non-production workers. All workers were local. Weekend of the factory was Friday. The general working hours for all sections in the factory is operating in one shift. This shift starts from 08:00 to 17:00 with one-hour lunch break from 13:00 to 14:00. Only security has three shifts per eight hours each with roster schedule of break & weekend.</p> <p>Auditors entered the facility at 09:10 and conducted an opening meeting with facility management according to the ETI Base Code requirements and local laws. Worker representative was present in the meeting and they assured full co-operation to this audit.</p> <p>Based on documents review, employees' interview and site tour, the positive and negative findings are as follows:</p> <ol style="list-style-type: none"> 1. The factory provided company registration No. C-30819(2035)/96, with life time validity started from June 13th, 1996. 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. The factory conducted fire drill that included fire extinguishers exercise and evacuation exercise every month at production area. 									

9. 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:** Although nowadays Covid-19 pandemic situation has been reduced all over the world. Moreover, we had to manage our activities by maintaining safety when we conducted workers interview, facility visit and other auditing activities maintaining social distance. We also observed that the following measure has been taken by the site while starting the operation in every day to prevent their employees from Covid-19:

Ensuring facemask for each employee.

- Ensuring facemask and safety precautions for visitors.
- Arranging a hand-washing facility for all employees while entering the factory.
- Facility has posted awareness posters of Covid-19.
- Having a reporting system to medical person or management if a suspected case is observed.
- Facility has taken different steps for creating awareness for covid-19

10. Fire-fighting facilities were well equipped.

11. Drinking water and toilet were available and accessed easily.

12. Per payroll record review and interviews with management all workers were paid by monthly wage system. Wages were paid once a month within first 7 working days of the following pay period. All the employees' wages were paid by Rocket. No delay of wage was identified through documents review, worker interview and management interview.

Negative findings:

One non- compliance was found in the area of "Management systems and Code implementation", six non- compliances were found in the area of "Safety and Hygienic Conditions", one non- compliance was found in the area of "Child Labour Shall Not Be Used" and one non- compliance was found in the area of "Living wages and benefits". For other areas, no violations were noted.

Observations :

One observation was found in the area of "Management systems and Code implementation" and one observation found in the area of "Environment 4- Pillar".

Good examples:

Two good examples were found in the area of "Management systems and Code implementation" and one good example was found in the area of "Living wages and benefits".

The closing meeting had been started at 17:10 and corrective action plans were discussed. A copy of the CAP was given to Mr. Atiqul Islam Apu, Asst. General Manager (HR, Admin & Compliance). Auditors thanked for organizing a friendly working environment and good cooperation & positive approach and left company at 17:40 on 18th June 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:	Babylon Dresses Ltd.										
B: Site name:	Babylon Dresses Ltd.										
C: GPS location: (If available)	GPS Address: Plot # 242-243, Tetulzhora, Hemayetpur, Savar, Dhaka, Bangladesh.	Latitude: 23.797772 Longitude: 90.260300									
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. 20218/Dhaka, issued by Bangladesh Government which is valid till June 30, 2022.</p> <p>Trade License No. 000308, issued by Tetulzhora Union Parishad, Savar, Dhaka which is valid till June 30, 2022.</p> <p>Fire License No. DD/Dhaka/26736/2017, issued by Bangladesh Fire Service & Civil Defence authority which is valid till June 30, 2022.</p> <p>Certificate of Incorporation No. C-30819(2035)/96, with life time validity, started from June 13th, 1996.</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 woven garments.</p> <p>The main production process is Cutting, Sewing, Finishing & Packing.</p>										
F: Site description: (Include size, location, and age of site. Also, include structure and number of buildings)	<p>Babylon Dresses Ltd was located at Plot # 242-243, Tetulzhora, Hemayetpur, Savar, Dhaka, Bangladesh. The site was established in year 2022. The factory specialized in manufacturing of all kinds of woven garments. The total factory area was around 33,006 square feet and the production area was around 30,006 square feet.</p> <p>In view of facilities, the factory is made in 01 building & 07 sheds.</p> <p>Building Description:</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>Medical room, childcare room, maintenance room, human resource department, inspection room, store room, female prayer room, dining hall (management) & pattern section.</td> <td>Nil</td> </tr> <tr> <td>First Floor</td> <td>Accessories store & dining hall (workers).</td> <td>Nil</td> </tr> </tbody> </table>		Building No. 01	Description	Remark, if any	Ground Floor	Medical room, childcare room, maintenance room, human resource department, inspection room, store room, female prayer room, dining hall (management) & pattern section.	Nil	First Floor	Accessories store & dining hall (workers).	Nil
Building No. 01	Description	Remark, if any									
Ground Floor	Medical room, childcare room, maintenance room, human resource department, inspection room, store room, female prayer room, dining hall (management) & pattern section.	Nil									
First Floor	Accessories store & dining hall (workers).	Nil									

	Is this a shared building?	No	Nil
	Building No. 02	Description	Remark, if any
	Ground floor	Leftover store used head office.	Nil
	1 st floor	Leftover store used head office.	Nil
	<p><u>Shed#01:</u> Ground floor – Cutting section, sewing section, finishing section, wash garments and non-wash garments rack, office. First floor – Sewing section.</p> <p><u>Shed # 02:</u> Boiler shed (Wastage boiler)</p> <p><u>Shed # 03:</u> Bond warehouse.</p> <p><u>Shed # 04:</u> Generator room.</p> <p><u>Shed # 05:</u> Boiler room.</p> <p><u>Shed # 06:</u> Under construction</p> <p><u>Shed # 07:</u> Under construction.</p> <p>F1: Visible structural integrity issues (large cracks) observed? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No 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 type="checkbox"/> Yes <input checked="" type="checkbox"/> No</p> <p>F4: Please give details: The site has no structural engineer evaluation.</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)	Same round the year.
I: Process overview: (Include products being produced, main operations, number of production lines, main equipment used)	<p>Production Capacity: The production capacity is around 80,000 pieces per month.</p> <p>Main Product: The factory specialized in manufacturing of all kinds of woven garments.</p> <p>The main production process: The main production process is Cutting, Sewing, Finishing & Packing.</p> <p>Main Equipment: Single Needle L/S Machine= 173 sets, Single Needle C/S Machine= 02 sets, Two Needles L/S Machine= 04 sets, Two Needles C/S Machine= 06 sets, Over Lock Machine= 30 sets, Multi Needle C/S Machine= 06 sets, Feed of the Arm Machine= 10 sets, Button Sewing Machine= 16 sets, Button Hole Machine= 11 sets, Velcro Attachment Machine= 02 sets.</p>
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 type="checkbox"/> Yes <input checked="" 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: Were all site-provided accommodation buildings included in this audit	<input type="checkbox"/> Yes <input type="checkbox"/> No N1: If no, please give details: Not applicable

Audit Parameters			
A: Time in and time out	A1: Day 1 Time in: 09:10 A2: Day 1 Time out: 17:40	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:	3.5 Man-days (Four auditors used in one day)		
C: Audit type:	<input checked="" type="checkbox"/> Full Initial <input 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 E1: If No, why not?		
F: Any conflicting information SAQ/Pre-Audit Info to Audit findings?	<input type="checkbox"/> Yes <input type="checkbox"/> No If yes , please capture detail in appropriate audit by clause		
G: Who signed and agreed CAPR (Name and job title)	Mr. Atiqul Islam Apu - Asst. General 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:	Not applicable		
J: Previous audit type:	Not applicable		
K: Were any previous audits reviewed for this audit	<input type="checkbox"/> Yes <input type="checkbox"/> No <input checked="" type="checkbox"/> N/A		

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

C: Present at the closing meeting?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
D: If Worker Representatives were not present, please explain reasons why (only complete if no worker reps present)	Worker's representative was present.		
E: If Union Representatives were not present, please explain reasons why: (Only complete if no union reps present)	Not applicable, there is no union present at the site and it is not mandatory in legal legislation.		

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	312	0	0	0	0	0	0	312
Worker numbers – female	261	0	0	0	0	0	0	261
Total	573	0	0	0	0	0	0	573
Number of Workers interviewed – male	23	0	0	0	0	0	0	23
Number of Workers interviewed – female	19	0	0	0	0	0	0	19
Total – interviewed sample size	42	0	0	0	0	0	0	42



A: Nationality of Management	Bangladeshi	
B: Please list the nationalities of all workers, with the three most common nationalities listed first. <i>Please add more nationalities as applicable to site. Add more rows if required.</i>	Nationalities: B1: Nationality 1: <u>100%</u> Bangladeshi B2: Nationality 2: <u>0%</u> B3: Nationality 3: <u>0%</u>	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
C: Please provide more information for the three most common nationalities.	C: approx. % total workforce: Nationality 1 <u>100%</u> Bangladeshi C1: approx. % total workforce: Nationality 2 <u>0</u> C2: approx. % total workforce: Nationality 3 <u>0</u>	
D: Worker remuneration (management information)	D: <u>0</u> % workers on piece rate D1: <u>0</u> % hourly paid workers D2: <u>100</u> % salaried workers Payment cycle: D3: <u>0</u> % daily paid D4: <u>0</u> % weekly paid D5: <u>100</u> % monthly paid D6: <u>0</u> % other D7: If other, please give details: Not applicable	



Worker Interview Summary		
A: Were workers aware of the audit?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	
B: Were workers aware of the code?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	
C: Number of group interviews: (Please specify number and size of groups. Please see SMETA Best Practice Guidance and Measurement Criteria. If the auditor was not able to follow the BPG, please state within the declaration)	Total group interviews 30 workers (06 groups of 05 workers)	
D: Number of individual interviews (Please see SMETA Best Practice Guidance and Measurement Criteria)	D1: Male: 07	D1: Female: 05
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: Not Applicable	
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 were happy with their working environment.	
I: What did the workers like the most about working at this site?	Facility workplace condition is comfortable, timely payment of wages and benefit. Good relationship with facility management.	
J: Any additional comment(s) regarding interviews:	Nothing to Report.	
K: Attitude of workers to hours worked:	Total working hour is within standard and overtime is fully voluntary.	
L. Is there any worker survey information available?		
<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No L1: If yes, please give details: Facility conducted worker survey on grievance mechanism in monthly.		

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's interview, they expressed their positive attitude to the management and payment system. All workers were satisfied with working conditions and benefits. **Note:** Although nowadays Covid-19 pandemic situation has been reduced all over the world. Moreover, we had to manage our activities by maintaining safety when we conducted workers interview, facility visit and other auditing activities maintaining social distance. We also observed that the following measure has been taken by the site while starting the operation in every day to prevent their employees from Covid-19:

- Ensuring facemask for each employee.
- Ensuring facemask and safety precautions for visitors.
- Arranging a hand-washing facility for all employees while entering the factory.
- Facility has posted awareness posters of Covid-19.
- Having a reporting system to medical person or management if a suspected case is observed.
- Facility has taken different steps for creating awareness for covid-19.

The effective evidences were collected by worker's 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 worker 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 they had participated in fire drills at the production area every month.
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 Rocket. 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 sections in the factory is operating in one shift. This shift starts from 08:00 to 17:00 with one-hour lunch break from 13:00 to 14:00. Only security has three shifts per eight hours each with roster 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.
8. All interviewed workers said that the factory had signed contracts with them during recruitment time and they had a copy of the contract on their hands.

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

O: Attitude of managers:

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

The factory management showed open and positive attitude to the audit. The factory management agreed that the auditor could take photos of the factory and factory compound and copy relevant

documents/records. The factory agreed that the auditor conducted confidential interviews with employees who were chosen freely without any influence by the factory. The factory agreed that the auditor had accesses to all facilities, compound and documents and records requested by the audit. They have helped to the auditor during the audit.

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

Audit Results by Clause

0A: Universal Rights covering UNGP

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

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 Mr. Atiquel Islam Apu, Asst. General 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

A: Policy statement that expresses commitment to respect human rights?	<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.
B: Does the business have a designated person responsible for implementing standards concerning Human Rights?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No Please give details: Name: Mr. Atiqul Islam Apu Job title: Asst. General Manager (HR, Admin & Compliance).
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?	<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.
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)	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No D1: If no, please give details: Not applicable.
E: Does the business demonstrate effective data privacy procedures for workers' information, which is implemented?	<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.

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

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

Measuring Workplace Impact

Workplace Impact		
A: Annual worker turnover: Number of workers leaving in last 12 months as a % of average total number of workers on site over the year (annual worker turnover)	A1: Last year: 2021 __0__%	A2: This year: 2022 __4__%
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]	4%	
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 __0__%	C2: This year: 2022 __3.98__%
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	3.98%	
E: Are accidents recorded?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No E1: Please describe: Factory maintains accident register regularly. Factory Doctor and Nurse are responsible positions to keep the accident records.	
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: 2021-00 Number: 0%	F2: This year: 2022-00 Number: 0%
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%	
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	H1: Last 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	I1: 6 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 by Mr. Atiqul Islam Apu, Asst. General Manager (HR, Admin & Compliance).
- The facility communicated this code of conduct (COC) to the suppliers and employees.
- 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.
- The facility provided training to the employees on ETI base code.
- Implementation of any necessary changes is then given to the individual department heads after agreement with the facility manager.

One non-compliance, one observation and two good examples were found in the area of "Management system & Code implementation". For details, please refer to the contents of 'Non-compliance', Observation and good examples.

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: As the facility was establish on January 2022 so that in the last 06 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, facility has policies and procedures for 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 the managers and workers in the facility have received orientation training where standards for forced labour, child labour discrimination, harassment & abuse are covered.</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 no internationally recognised system certifications.</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 19 members and is headed by Tanvir Hussain, Asst. 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 H1: Please give details: Responsibility for meeting the legal and client code requirements is taken by Mr. Atiqul Islam Apu, Asst. General Manager (HR, Admin & Compliance).</p>

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 where by all employees of the company will be required to maintain confidentiality with regard to the affairs of the company & it's greater.
J: Is there an effective procedure to ensure confidential information is kept confidential?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No 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 policy and procedure.
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 L1 Please give details: The facility has an internal system to raise the issue found the risk assessment and to implement the way of reduction it.
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 concern 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: Does the site have a written policy and procedures specific to land rights. If yes, does it include any due diligence the company will undertake to obtain free, prior and informed consent, (FPIC) even if national/local law does not require it	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No P1: If yes, how does the company obtain FPIC: Not Applicable

Q: Is there evidence that facility / site compensated the owner/lessor for the land prior to the facility being built or expanded.	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No Q1: Please give details: The facility land is owned by the facility owner.
R: Does the facility demonstrate that alternatives to a specific land acquisition were considered to avoid or minimize adverse impacts?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No R1: Please give details: The facility did not demonstrate any alternatives specific land acquisition was considered to avoid or minimize adverse impacts.
S: Is There any evidence of illegal appropriation of land for facility building or expansion of footprint.	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No 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.

Non-compliance:

1. Description of non-compliance:

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

It was noted during document review and management interview that the facility is operating 1 boiler machine without having license from concern authority. Note that the facility has applied for the boiler registration number and obtain license to the concerned authority on 9th June 2022 but did not receive any feedback yet.

Local law and/or ETI requirement:

In accordance with Boiler Act 2022, Section 18: 1) To use any boiler inside Bangladesh, one has to register with the office of the Chief Boiler Inspector.
2) An individual or boiler user must submit an application to the Chief Boiler Inspector subject to the procedure prescribed by the rules and payment of the prescribed fee for obtaining registration under sub-section (1).
3) The Chief Boiler Inspector may approve or reject the application of the applicant following the procedure prescribed by the rules.
4) Boiler usage certificate will be valid for not more than 1 (one) year and will be renewable.

Recommended corrective action: It is recommended that the facility management shall obtain boiler license from the concerned authority as soon as possible.

Action by: Mr. Atiqul Islam Apu, Asst. General Manager (HR, Admin & Compliance)

Timescale: 60 Days.

Objective evidence observed:

1. Based on documents review and management interview

Observation:	
<p>Description of observation: It was noted through document review and management interview that the facility use one diesel generator (604.8 Kw) and license was under the Aboni Fashions Limited but the licensing company changed their location. However, the facility has already applied to the concerned authority to change the name of the license. Note that the license is valid until 2nd July 2022.</p> <p>Local law or ETI requirement: In accordance with The Bangladesh Energy Regulatory Commission Act, 2003, Section 27 (1): No person shall engage himself in the following business unless he is empowered by a license or exempted from having it under this Act or any other Act, such as: (a) Power generation; (b) Energy transmission; (c) Energy distribution and marketing; (d) Energy supply; and (e) Energy storage.</p> <p>Comments: The facility need to collect the license from the concern authority as named Babylon Dresses Ltd.</p>	<p>Objective evidence observed: 1. Based on document review and management interview.</p>

Good Examples observed:	
<p>Description of Good Example (GE):</p> <p>1. The facility provides free food to all pregnant workers for their nutrition.</p> <p>2. The facility provides scholarship to the children of workers & officers of the facility who passed and achieved good score in the Board Examination.</p>	<p>Objective Evidence Observed: 1. Based on document review, workers and management interview.</p> <p>2. Based on document review, 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 were 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 did 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

A: Is there any evidence of retention of original documents, e.g., passports/ID's

☐ Yes

☒ No

A1: If yes, please give details and category of workers affected: Not applicable

B: Is there any evidence of a loan scheme in operation

☐ Yes

☒ No

B1: If yes, please give details and category of worker affected: Not applicable

C: Is there any evidence of retention of wages /deposits

☐ Yes

☒ No

C1: If yes, please give details and category of worker affected: Not applicable

D: Are there any restrictions on workers' freedom to terminate employment?	<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.
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'?	<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.
F: Is there evidence of any restrictions on workers' freedoms to leave the site at the end of the work day?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No F1: Please describe finding: No evidence of any restrictions on workers' freedoms to leave the site at the end of the workday.
G: Does the site understand the risks of forced / trafficked / bonded labour in its supply chain	<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.
H: Is the site taking any steps taking to reduce the risk of forced / trafficked labour?	<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.

Non-compliance:

Description of non-compliance:

☐ NC against ETI ☐ NC against Local Law: ☐ NC against customer code:
None Observed

Local law and/or ETI requirement

Not Applicable

Recommended corrective action:

Not Applicable

Objective evidence observed:

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

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

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

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

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.
- Participation Committee was formed by election on 27th February 2022.
- Last Participation Committee meeting was held on 17th May 2022.
- Meeting minutes are posted in notice board and recorded in a register.
- There are 06 members from worker side and 06 from management side with 12 members.
- PC members are equally treated 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:

- Freedom of association policy review
- Facility management interviews
- Worker interview
- Complain box register (Suggestions from the complaint box and actions taken)
- 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?

- ☐ Union (name)
- ☒ Worker Committee
- ☐ Other (specify)
- ☐ None

B: Is it a legal requirement to have a union?

- ☐ Yes
- ☒ No

C: Is it a legal requirement to have a worker's committee?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	
D: Is there any other form of effective worker/management communication channel? (Other than union/worker committee e.g., H&S, sexual harassment)	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No D1: Please give details: The factory management has provided complain box in the toilet area through which workers can raise their suggestion / complaints. Workers can also approach the management directly for any grievances which confirmed the interviewed workers. D2: Is there evidence of free elections? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	
E: Does the supplier provide adequate facilities to allow the Union or committee to conduct related business?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No E1: Please give details: The PC members are able to perform their responsibility without any management intervention.	
F: Name of union and union representative, if applicable:	Not Applicable	F1: Is there evidence of free elections? <input type="checkbox"/> Yes <input type="checkbox"/> No <input checked="" type="checkbox"/> N/A
G: If there is no union, is there a parallel means of consultation with workers e.g., worker committees?	Participation Committee	G1: Is there evidence of free elections? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A
H: Are all workers aware of who their representatives are?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	All workers are well aware of their representatives.
I: Were worker representatives freely elected?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	I1: Date of last election: 27 th February, 2022.
J: Do workers know what topics can be raised with their representatives?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	
K: Were worker representatives/union representatives interviewed?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No If Yes , please state how many: One worker representative was interviewed during audit.	
L: Please describe any evidence that union/worker's committee is effective? Specify date of last meeting; topics covered; how minutes were communicated etc.	06 worker representatives were elected by the workers among the workers to represent each section of the facility. The last communication meeting was held on 17 th May, 2022 with topic of discussion regarding – 1) Providing mirrors and curtains into females' toilets; 2) The arrangement of separate place for performing prayers; 3) How to solution the issue of flooded pathway during rainy day at the factory entrance route. Meeting minutes was shared with all workers through posting the meeting minutes on communication board.	

M: Are any workers covered by Collective Bargaining Agreement (CBA)?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	
If Yes , what percentage by trade Union/worker representation	M1: __N/A__% workers covered by Union CBA	M1: __N/A__% workers covered by Union CBA
M3: If Yes , does the Collective Bargaining Agreement (CBA) include rates of pay?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	

Non-compliance:	
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

3: Working Conditions are Safe and Hygienic

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

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

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

- A.M. Jahid Hasan, Sr. Officer (Fire & Safety)- looks after Health & Safety issues for the site.
- Potable water was freely available in all areas.
- Sufficient clean toilets 14 (06 for male and 08 for female) segregated by gender were available at all times 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 22nd May 2022.

2. Fire Safety

- Sufficient 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 production floors with local language.
- Public Address System and Fire Alarm System were available in all areas.

3. Fire Drill Information

Type of Fire Drill	Date	Time Duration	No. of Participant	Conducted by
Day (Internal)	30.05.2022	01.40 minutes	521	A.M. Jahid Hasan, Sr. Officer (Fire & Safety)

Facility provides bellow training to employees:

Training Name	Date	Participant	Name of Trainer
1. New Workers Orientation Training	01.06.2022	81	A.M. Jahid Hasan, Sr. Officer (Fire & Safety)
2. Occupational Health & Safety Training	08.06.2022	22	Dr. Md. Didarul Karim, Factory Medical Officer
3. PPE & Machine Safety Training	09.06.2022	24	Tanvir Hussain, Asst. Manager (HR & Compliance)

4. First Aid Training	04.06.2022	10	Dr. Md. Didarul Karim, Factory Medical Officer
5. ETI Base Code Training	28.05.2022	18	Suma Akhter, Sr. Welfare Officer
6. Mid-level Management Training	30.05.2022	28	Tanvir Hussain, Asst. Manager (HR & Compliance)
7. Chemical Safety & Environmental Pollution Awareness Training	18.05.2022	06	K.M Ferdous Mahmud, Asst. Manager (EMS)
8. Risk Assessment Awareness Training	22.05.2022	18	A.M. Jahid Hasan, Sr. Officer (Fire & Safety)

4. Electrical, Machine & fire 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 chemical for their production process and provided training and Personal Protection Equipment.

6. Medical services

- There were 05 first aid boxes with sufficient 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 first aiders.
- Facility has a medical room.

7. Dormitory

- Facility didn't provide dormitory facilities to any employees.

Six 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:

- License review (Fire license, Trade license, Factory license)
- Building approval plan and layout approval plan
- Group insurance
- Drinking water test report
- Injury record and analysis report
- Machine and electric maintenance record
- Risk assessment report
- Training record (Fire training, First aid training, PPE training and Health and safety training)
- Fire drill record
- Health and safety committee register
- Fire equipment and electric equipment checking record

Any other comments: None

<p>A: Does the facility have general and occupational Health & Safety policies and procedures that are fit for purpose and are these communicated to workers?</p>	<p><input checked="" type="checkbox"/> Yes <input type="checkbox"/> No A1: Please give details: Factory had adopted health & safety policy which covers PPE, machine safety device, fire safety (fire extinguisher, freighting equipment, hose pipe etc.), emergency pathway, evacuation drill, housekeeping, first aid, electrical safety etc. Last training was conducted on 8th June, 2022.</p>
<p>B: Are the policies included in workers' manuals?</p>	<p><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.</p>
<p>C: Are there any structural additions without required permits/inspections (e.g., floors added)?</p>	<p><input type="checkbox"/> Yes <input checked="" type="checkbox"/> No C1: Please give details: There were no structural additions without prior permits/ inspections.</p>
<p>D: Are visitors to the site informed on H&S and provided with personal protective equipment</p>	<p><input checked="" type="checkbox"/> Yes <input type="checkbox"/> No D1: Please give details: The site kept dedicated PPE(s) 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.</p>
<p>E: Is a medical room or medical facility provided for workers?</p> <p>If yes, do the room(s) meet legal requirements and is the size/number of rooms suitable for the number of workers.</p>	<p><input checked="" type="checkbox"/> Yes <input type="checkbox"/> No E1: Please give details: The facility had a medical room dedicated for workers with 01 doctor and 01 nurse. The factory didn't meet legal requirements as because of some medical elements were insufficient. One room and number of bed are 04, for male 02 & for female 02.</p>
<p>F: Is there a doctor or nurse on site or there is easy access to first aider/ trained medical aid?</p>	<p><input checked="" type="checkbox"/> Yes <input type="checkbox"/> No F1: Please give details: The facility has 01 doctor and 01 nurse are appointed for medical treatments of the employees.</p>
<p>G: Where the facility provides worker transport - is it fit for purpose, safe, maintained and operated by competent persons e.g., buses and other vehicles?</p>	<p><input type="checkbox"/> Yes <input checked="" type="checkbox"/> No G1: Please give details: The factory does not provide transport facility to their workers.</p>
<p>H: Is secure personal storage space provided for workers in their living space and is fit for purpose?</p>	<p><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.</p>
<p>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?</p>	<p><input checked="" type="checkbox"/> Yes <input type="checkbox"/> No I1: Please give details: Workers risk assessment is done on a monthly basis according to the training schedule.</p>
<p>J: Is the site meeting its legal obligations on environmental requirements including required permits for use and disposal of natural resources?</p>	<p><input checked="" type="checkbox"/> Yes <input type="checkbox"/> No</p>

	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.
K: Is the site meeting its customer requirements on environmental standards, including the use of banned chemicals?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No K1: Please give details: Factory did not use banned chemicals and follows the entire customer requirement on environmental standard.

Non-compliance:

1. Description of non-compliance:

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

It was noted during facility tour and management interview that the factory did not install the interconnected smoke detection system and integrated fire-alarming system throughout the factory. Note that the facility had sufficient manual fire alarm and smoke detection system in the factory. In addition, they already opened the Letter of Credit (LC) to import installation goods (the automated smoke detection & fire alarm system).

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 National Building Code 2020, Part 04, Chapter 4, Clause 4.6.1 (b): Automatic smoke or/and heat detection: The installation of automatic fire and smoke detection system shall be a necessity when the size, arrangement and occupancy of a building become such that a fire itself cannot provide adequate warning to its occupants. The automatic fire and smoke detection system shall include, spot or line type heat sensitive detectors and optical, ionized or chemical sensitive type of smoke detectors.

Recommended corrective action: It is recommended that the facility management shall install interconnected smoke detection system and automated fire-alarming system throughout the factory.

Action by: Mr. Atiqul Islam Apu, Asst. General Manager (HR, Admin & Compliance).

Timescale: 90 Days.

2. Description of non-compliance:

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

It was noted during facility tour that-

a) Around 20% of needle guards with sewing (plain) machines were misplaced

Objective evidence observed:

1. Based on facility tour and management interview

2. Based on facility tour
NC Picture No. 01 & 02

at sewing section.

b) Safety barrier was missing with 01 out of 01 band knife cutting machine.

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 safe guards 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: Provided that for the purpose of determining whether any part of machinery is safe as aforesaid, any occasion of examination or operation made or carried out in accordance with the provisions of section 64 shall not be taken into account.

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

Action by: Mr. Atiqul Islam Apu, Asst. General 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 document review and management interview that the facility did not provide exit directional sign from the production floors at production shed-2.

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

3. Based on document review and management interview

Recommended corrective action: It is recommended that the facility management should provide exit directional sign from the production floor in the mentioned area.

Action by: Mr. Atiqul Islam Apu, Asst. General Manager (HR, Admin & Compliance).

Timescale: 30 Days.

4. Description of non-compliance:

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

It was noted during facility visit that in the medical room, below elements were found missing: I. 1-wheel chair; II. 2 buckets or pots with closely-fitted lids; III. 1 coated pot of hot and cold water; IV. 6 woollen blankets and V. Tetanus serum.

Local law and/or ETI requirement:

In accordance with The Bangladesh Labour Rules, 2015, Rule 77 (5): The medical room shall be used for primary aid and the comforts of patients. It must have at least following furniture and equipment:

- a) 1 coated pot of hot and cold water;
- d) 2 beds for lying, 2 stretchers and 1 wheel chair;
- e) 2 buckets or pots with closely-fitted lids;
- j) 6 woollen blankets;
- y) Adequate supply of serum that is preventive of Tetanus

Recommended corrective action: It is recommended that the facility management should have sufficient medical equipment in the medical room.

Action by: Mr. Atiqul Islam Apu, Asst. General Manager (HR, Admin & Compliance).

Timescale: 60 Days.

5. Description of non-compliance:

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

It was noted through workers' interview that-

- (a) Approximately 45% of the firefighters were not properly aware about the types of fire extinguishers, types of fire, usage of firefighting equipment and his/her duties during fire.
- (b) Approximately 38% of the first aiders were not well aware about first aid medicines, kits and preliminary treatment procedures.

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.

4. Based on facility visit

5. Based on workers' interview

In accordance with The Bangladesh Labour Rules, 2015, Rule 55 (10) And Bangladesh labour Act 2006, Section 89 (3): 55(10) - If possible, all workers or at least 18% of the workers employed in each department have to be trained on fire-fighting, emergency rescue operation, first aid and the usage of portable fire-repellent instruments. And the security has to be ensured by dividing the trained workers into fire-fighting team, rescue team and first aid team (6% members in each team) and the records related herewith have to be preserved in accordance with Form- 22. 89(3) - Every first-aid box or cupboard shall be kept in charge of a responsible person who is trained in first-aid treatment and who shall always be available during the working hours of the establishment.

Recommended corrective action: It is recommended that the facility management shall arrange firefighting & first aid trainings on regular basis to aware on firefighting requirements and first aid treatment procedures in case of emergency situation.

Action by: Mr. Atiqul Islam Apu, Asst. General 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 through document review, workers and management interview that the facility did not have any certified fire fighter, rescuer and first aiders form BFSCD (Bangladesh Fire Service and Civil Defence). Note that facility needed 100 certified fire fighter, rescuer and first aiders form Fire Service Civil Defence according to 552 employees.

Note that, the facility already applied to the concern authority for fire training but did not received any feedback yet. However, facility had internally fire fighters.

Local law and/or ETI requirement:

In accordance with The Bangladesh Labour Rules 2015, Rule 55 (10): If possible, all workers or at least 18% of the workers employed in each department have to be trained on fire-fighting, emergency rescue operation, first aid and the usage of portable fire-repellent instruments. And the security has to be ensured by dividing the trained workers into fire-fighting team, rescue team and first aid team (6% members in each team) and the records related herewith have to be preserved in accordance with Form- 22.

Recommended corrective action: It is recommended that the facility management shall ensure required numbers of fire fighters, rescuers and first aiders trained from BFSCD.

Action by: Mr. Atiqul Islam Apu, Asst. General Manager (HR, Admin & Compliance).

Timescale: 90 Days

6. Based document review, workers and management interview

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 doctor.
- 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 18 years old (DOB: 17th January 2004 & DOJ: 19th February 2022). During the facility walkthrough, there were no concerns regarding child labour observed.

One non-compliance was found in the area of "Child Labour Shall Not Be Used". 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.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:	18+ years

C: Are there children present on the work floor but not working at the time of audit?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
D: % of under 18's at this site (of total workers)	0%
E: Are workers under 18 subjects 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:	
<p>1. Description of non-compliance:</p> <p><input 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 floor visit that-</p> <p>(i) The childcare room of the factory was not adequately furnished as per law. (ii) There was a not trained woman for taking care of children.</p> <p>Local law and/or ETI requirement:</p> <p>In accordance with The Bangladesh Labour Rules, 2015, Rule 94: 1) The layout, quality and position of the Children's Room or the separate Children Building or the adapted building must be approved by the Inspector General or the Inspector authorized by him/her. 2) A separate and screen covered area must be kept preserved for the breastfeeding mothers so that they can lactate their babies maintaining secrecy and modesty. 3) The floor of the Children's Room and the internal walls thereof with a height of 1.22 meters must be made smooth and impervious. 4) 0.25 litres of milk for each child and nutritious foods must be supplied for the children staying in Children's Room. 5) Neat and clean clothes must be provided for the employees working in Children's Room. 6) Females must be prioritized while recruiting employees for the Children's Room.</p> <p>Recommended corrective action: It is recommended that the factory management should provide appropriate childcare facility for use of female workers and appointment a trained woman for childcare in line with legal requirements.</p> <p>Action by: Mr. Atiqul Islam Apu, Asst. General Manager (HR, Admin & Compliance).</p> <p>Timescale: 30 Days</p>	<p>Objective evidence observed:</p> <p>1. Based on floor visit</p>

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 is swipe 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 during 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 non-compliance and one good example were found in the area of "Living wages and benefits". 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. Document review
2. Worker interview
3. Management interview
4. Local and national laws
5. Wages and benefits policy
6. Bonus sheets
7. Payroll records from January 2022 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:

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 has no group insurance facility for the workers. Note that the facility has already applied & deposited the amount of Group insurance to concern authority on 15th January 2022 but did not receive certificate yet.

Local law and/or ETI requirement:

In accordance with The Bangladesh Labour Act, 2006, (Amendment) 2013, Section 99 (1): In an establishment where at least 100 (one hundred) permanent workers are employed, the employer shall introduce group insurance under the existing insurance laws.

Recommended corrective action: It is recommended that the facility management should ensure group insurance for all workers as required by local law.

Action by: Mr. Atiqul Islam Apu, Asst. General Manager (HR, Admin & Compliance).

Timescale: 30 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):

1. The facility provides monthly attendance bonus BDT. 300 to all Asst. Operators, BDT. 400 to all Loader & Cleaner, BDT. 500 to all Operator, Sr. Operators & Quality Inspector as per factory policy.

Objective Evidence Observed:

1. Based on payroll records review and workers & management interview.

Summary Information

Criteria	Local Law (Please state legal requirement)	Actual at the Site (Record site results against the law)	Is this part of a Collective Bargaining Agreement?
A: Standard/Contracted work hours: (Maximum legal and actual required working hours excluding overtime, please state, if possible, per day, week, and month)	Legal maximum: 08 hours per day 48 hours per week 208 hours per month	A1: 08 hours per day 48 hours per week 208 hours per month	A2: <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
B: Overtime hours: (Maximum legal and actual overtime hours, please state, if possible, per day, week, and month)	Legal maximum: 2 hours/ day and 12 hour/ week	B1: 02 hours/ day and 12 hour/ week	B2: <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
C: Wage for standard/contracted hours: (Minimum legal and actual minimum wage at site, please state, if possible, per hr, day, week, and month)	Legal minimum: 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	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	C2: <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
D: Overtime wage: (Minimum legal and actual minimum overtime wage at site, please state, if possible, per hr, day, week, and month)	Legal minimum: 200% of basic wage	D1: 200% of basic wage	D2: <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No

Wages analysis:

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

A: Were accurate records shown at the first request?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
A1: If No , why not?	Not applicable
B: Sample Size Checked	42 samples for the month of May 2022 (Current month)

(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)	42 samples for the month of March 2022 (Random month) 42 samples for the month of January 2022 (Random month)																																																																																																										
C: Are there different legal minimum wage grades? If Yes , please specify all.	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	<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.</p> <p>There are two separate pay structures; for the garment workers (Schedule A)</p> <p>1. For the workers (Schedule A):</p> <table border="1" data-bbox="724 853 1485 1323"> <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" data-bbox="724 1386 1485 1715"> <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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D: If there are different legal minimum grades, are all workers graded and paid correctly?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A	D1: If No , please give details: Not Applicable																																																																																																									
E: For the lowest paid production workers, are wages paid for standard/contracted hours	<input type="checkbox"/> Below	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.																																																																																																									

(excluding overtime) below or above the legal minimum?	legal min <input checked="" type="checkbox"/> Meet <input checked="" type="checkbox"/> Above	
F: Please indicate the breakdown of workforce per earnings:	F1: <u>0</u> % of workforce earning under minimum wage F2: <u>21</u> % of workforce earning minimum wage F3: <u>79</u> % of workforce earning above minimum wage	
G: Bonus Scheme found: Please specify details:	Bonus Scheme found: 1. The facility provides festival bonus 50% of basic salary each during Eid Ul Fitr and Eid Ul Azha after completing three months. 2. The facility provides monthly attendance bonus BDT. 300 to all Asst. Operators, BDT. 400 to all Loader & Cleaner, BDT. 500 to all Operator, Sr. Operators & Quality Inspector as per factory policy.	
H: What deductions are required by law e.g., social insurance? Please state all types:	As per section 125 of the Bangladesh Labour Law, 2006, factory may deduct wages for un-authorized absence, for fines, housing facility, advance payments, loans, income tax, provident fund, etc. However, the factory is deducting only for un-authorized absence and revenue stamp deduction.	
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. Please describe: The factory deducted for absent.
		I2: Please list all deductions that have not been made. 1. Social group insurance Please describe: The factory workers were not covered by 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	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
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 manually recorded.	
M: Is there a defined living wage:	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	

<p><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></p>	<p>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 24th January, 2019.</p>
<p>M2: If yes, what was the calculation method used.</p>	<p> <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 </p>
<p>N: Are there periodic reviews of wages? If Yes give details (include whether there is consideration to basic needs of workers plus discretionary income).</p>	<p> <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No N1: Please give details: At least 5% of basic wages shall be increased yearly. </p>
<p>O: Are workers paid in a timely manner in line with local law?</p>	<p> <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No </p>
<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 type="checkbox"/> Cash <input type="checkbox"/> Cheque <input type="checkbox"/> Bank Transfer <input checked="" type="checkbox"/> Other Q1: If other, please explain: Mobile Banking Rocket </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 electronically.
- All overtime is compensated at a premium rate for all employees.
- The time frame of the records reviewed are as follows:
 - 42 samples for the month of May 2022 (Current month)
 - 42 samples for the month of March 2022 (Random month)
 - 42 samples for the month of January 2022 (Random 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 sample months. The employee works for 06 days in a week. Weekend of the factory was Friday. The general working hours for all sections in the factory is operating in one shift. This shift starts from 08:00 to 17:00 with one-hour

lunch break from 13:00 to 14:00. Only security has three shifts per eight hours each with roster schedule of break & weekend.

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

Details:

1. Employee interview
2. Management interview
3. Local and national laws
4. Factory policy on working hours
5. Attendance and wages records from January 2022 to the audit day.
6. Electronic 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:

Description of non-compliance:

☐ NC against ETI ☐ NC against Local Law ☐ NC against customer code:
None Observed

Local law and/or ETI requirement:

Not Applicable

Recommended corrective action:

Not Applicable

Objective evidence observed:

Not Applicable

Observation:

Description of observation:

None Observed

Local law or ETI requirement:

Not Applicable

Comments:

Not Applicable

Objective evidence observed:

Not Applicable

Good Examples observed:

Description of Good Example (GE):

None Observed

Objective Evidence Observed:

Not Applicable

Working hours' analysis Please include time e.g., hour/week/month (Go back to Key information)					
Systems & Processes					
A. What timekeeping systems are used: time card etc.	Describe: Attendance and work timings (including OT) record was maintained by swipe 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"/> 0 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			
F: Are workers provided with at least 1 day off in every 7-day-period, or 2 in 14-day-period?	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:	F3: Is this allowed by local law? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No			
	Maximum number of days worked without a day off (in sample):				
	The factory worked maximum 6 days in a week without a day off.				
Standard/Contracted Hours worked					

G: Were standard working hours over 48 hours per week found?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	G1: If yes, % of workers & frequency: Not Applicable
H: Any local waivers/local law or permissions which allow averaging/annualised hours for this site?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	H1: If yes, please give details: Not Applicable
Overtime Hours worked		
I: Actual overtime hours worked in sample (State per day/week/month)	Highest OT hours: May 2022: 2 hours per day, 12 hours per week, 42 hours per month March 2022: 2 hours per day, 12 hours per week, 54 hours per month January 2022: 2 hours per day, 12 hours per week, 50 hours per month	
J: Combined hours (standard or contracted + overtime hours = total) over 60 found? Please give details:	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	
K: Approximate percentage of total workers on highest overtime hours:	___11.93___%	
L: Is overtime voluntary?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> Conflicting Information	L1: Please detail evidence e.g., Wording of contract / employment agreement / handbook / worker interviews / refusal arrangements: Based on the factory policy, rules-regulations, training records and management interview it was noted that the overtime is voluntary in this factory.
Overtime Premiums		
M: Are the correct legal overtime premiums paid?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A – there is no legal requirement to OT premium	M1: Please give details of normal day overtime premium as a % of standard wages: 200% of basic wages as overtime rate
N: Is overtime paid at a premium?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	N1: If yes, please describe % of workers & frequency: 100% workers receive 200% of basic wages as overtime rate every month.
O: If the site pays less than 125% OT premium and this is allowed under local law, are there other considerations? Please	<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	

complete the boxes where relevant.	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>98</u> % A2: Female <u>02</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

gender, marital status, sexual orientation, union membership or political affiliation?	<input type="checkbox"/> Promotion <input type="checkbox"/> Termination or retirement <input checked="" type="checkbox"/> No evidence of discrimination found C1: Please give details: As per documents review, management & works 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, management and workers interview, it was observed that promotion, training, compensation decisions were made by HR Department.
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Non-compliance:	
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

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 auditor.

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:	
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

Responsible Recruitment

All Workers	
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?	<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
B: Did workers' pay any fees, taxes, deposits or bonds for the purpose of recruitment/placement?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No B1: If yes, please describe details and specific category(ies) of workers affected: Not applicable

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:
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: Not applicable 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	<input type="checkbox"/> Yes <input type="checkbox"/> No C1: Please describe finding: 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) (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.)	
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:	
<p><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></p>	
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:

- Site tour (Calculation on total production and estimated capacity)
- Materials in/out records
- Management interview
- Worker interview

Any other comments: None

Non-compliance:

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: Not applicable
B: If sub-contractors are used, is there evidence this has been agreed with the main client?	<input type="checkbox"/> Yes <input type="checkbox"/> No B1: If Yes , summarise details: Not applicable
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: Not applicable
E: What checks are in place to ensure no child labour is being used and work is safe?	Not applicable

Summary of homeworking – if applicable <input 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: Not applicable		
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: Not applicable
D: Is there a site policy on homeworking?	<input type="checkbox"/> Yes <input type="checkbox"/> No Not applicable	
E: How does the site ensure worker hours and pay meet local laws for homeworkers?	Not applicable	
F: What processes are carried out by homeworkers?	Not applicable	
G: Do any contracts exist for homeworkers?	<input type="checkbox"/> Yes <input type="checkbox"/> No G1: Please give details: Not applicable	
H: Are full records of homeworkers available at the site?	<input type="checkbox"/> Yes <input type="checkbox"/> No Not applicable	

9: No Harsh or Inhumane Treatment is Allowed

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

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

A: Are there published, anonymous and/or open channels available for reporting any violations of Labour standards and H&S or any other grievances to a 3 rd party?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No A1: Please give details: Through direct supervisors, managers, suggestion box and workers participation committee.
B: If Yes , are workers aware of these channels and have access? Please give details.	Workers can share their concern with welfare officer; drop to their complaint into suggestion box and even go to the top management.
C: If yes, what type of mechanism is used e.g., hotline, whistle blowing mechanism, comment box etc. Please give details.	Suggestion box and Welfare Officer
D: Which of the following groups is there a grievance mechanism in place for?	<input checked="" type="checkbox"/> Workers <input type="checkbox"/> Communities <input type="checkbox"/> Suppliers <input type="checkbox"/> Other 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 their complains into suggestion box and even go to the top management.
E: Are there any open disputes?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No E1: If yes, please give details: Not Applicable
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)	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No 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'.
G: Is there a published and transparent disciplinary procedure?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No G1: If no, please explain
H: If yes, are workers aware of these the disciplinary procedure?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No H1: If no, please give details: Not Applicable

I: Does the disciplinary procedure allow for deductions from wages (fines) for disciplinary purposes (see wages section)?

☒ Yes
☐ No

II: If yes, please give details: Only Absent deduction in case of worker unauthorized absent as per law.

Current Systems and Evidence Examined

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

Current systems:

- 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:

Description of non-compliance:

☐ NC against ETI ☐ NC against Local Law ☐ NC against customer code:
None Observed

Local law and/or ETI requirement:

Not Applicable

Recommended corrective action:

Not Applicable

Objective evidence observed:

Not Applicable

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

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

10. Other Issue areas: 10A: Entitlement to Work and Immigration

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

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. Worker's handbook
4. Worker's interview
5. Management interview

Any other comments: None

Non-compliance:

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 10B4: Environment 4–Pillar

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

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

B.4. Compliance Requirements

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

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

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

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

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

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

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

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

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

B4. Guidance for Observations

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

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

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

Current Systems and Evidence Examined

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

Current systems:

- The factory had established an environmental policy, covering their environmental impact, which is communicated to all appropriate parties and its own suppliers.
- Main production process of the factory is Cutting, Sewing, Finishing & Packing. Facility uses chemical for their production process and provided training and Personal Protection Equipment. MSDS, label and secondary containments were found with all the chemicals.
- Factory management has conducted training on minimal uses of water, energy and natural resource to all employees.
- Factory management has the agreement with waste collect company for the disposal of general wastages like wastage fabrics, poly, cartons, metals etc. Factory management is aware about the environmental impact of their business activities.

One Observation was found in the area of "10B4: Environment 4-Pillar". For details, please refer to contents of 'Observation'.

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

Details: Environmental policy and procedure, training record, different types of records for energy and water consumption, license, chemical inventory etc.

Any other comments: None

Non-compliance:

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:

It was noted from the document review, floor visit and management interview that the facility has no tracking system for groundwater consumption and waste generation. The facility does not segregate hazardous and non-hazardous waste.

Local law or ETI requirement:

In accordance with additional elements 10B4.7: Businesses shall make continuous improvements in their environmental performance.

Comments: The facility would install water flow meter to check the water consumption.

Objective evidence observed:

1. Based on document review, floor visit and management interview

Good examples observed:

Description of Good Example (GE):

None Observed

Objective Evidence Observed:

Not Applicable

Environmental Analysis <i>(Site declaration only – this has not been verified by auditor. Please state units in all cases below.)</i>	
A: Is there a manager responsible for Environmental issues (Name and Position):	Name: Ferdous Mahmud, position- Asst. Manager (EMS)
B: Has the site conducted a risk assessment on the environmental impact of the site, including implementation of controls to reduce identified risks?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No B1: Please give details: The factory had conducted risk assessment on the environmental impact of the site, including implementation of controls to reduce identified risk.
C: Does the site have a recognised environmental system certification such as ISO 14000 or equivalent? Please give details.	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No C1: Please give details: The site had no recognised environmental system certification.
D: Does the site have an Environmental policy? <i>(For guidance, please see Measurement criteria)</i>	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No D1: If yes, is it publicly available? During audit, policy was found available.
E: If yes, does it address the key impacts from their operations and their commitment to improvement?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No E1: Please give details: Factory had environmental policy and procedure. Environment procedures defined for implementation and management of environmental performance.
F: Does the site have a Biodiversity policy? <i>(For guidance, please see Measurement criteria)</i>	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
G: Is there any other sustainability systems present such as Chain of Custody, Forest Stewardship Council (FSC), Marine Stewardship Council (MSC) etc.? Please give details. <i>(For guidance, please see Measurement criteria)</i>	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No G1: Please give details: No such system was found.
H: Have all legally required permits been shown? Please give details.	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No H1: Please give details: Factory showed legal permits.
I: Is there a documentation process to record hazardous chemicals used in the manufacturing process?	<input type="checkbox"/> Yes <input type="checkbox"/> No <input checked="" type="checkbox"/> N/A I1: Please give details: The facility has main process Cutting, Sewing, Finishing & Packing.
J: Is there a system for managing client's requirements and legislation in the destination countries regarding environmental and chemical issues?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No J1: Please give details: Facility has environmental policy and procedure for managing client's requirements.
K: Facility has reduction targets in place for environmental aspects e.g., water consumption and discharge, waste, energy and green-house gas emissions:	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No K1: Please give details: Facility had not any reduction targets in place for environmental aspects e.g., energy and green-house gas emissions.

L: Facility has evidence of waste recycling and is monitoring volume of waste that is recycled.	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No L1: Please give details: Facility had no evidence of waste recycling and is monitoring volume of waste that is recycled is not mandatory by law.	
M: Does the facility have a system in place for accurately measuring and monitoring consumption of key utilities of water, energy and natural resources that follows recognised protocols or standards?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No M1: Please give details: Facility had a system in place for accurately measuring and monitoring consumption of energy and natural resources that follows recognised protocols or standards.	
N: Has the facility checked that any Sub-Contracting agencies or business partners operating on the premises have the appropriate permits and licences and are conducting business in line with environmental expectations of the facility?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No N1: Please give details: Facility kept a copy of waste collector license.	
Usage/Discharge analysis		
Criteria	Previous year: Please state period: January 2021 to December 2021	Current Year: Please state period: January 2022 to May 2022
Electricity Usage: Kw/hrs	N/A	88,108.07 kWh/hrs
Renewable Energy Usage: Kw/hrs	N/A	No
Gas Usage: Kw/hrs	N/A	19,657.57 kWh
Has site completed any carbon Footprint Analysis?	N/A	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
If Yes , please state result	N/A	95.52 CO _{2e}
Water Sources: Please list all sources e.g., lake, river, and local water authority.	N/A	Ground Water
Water Volume Used: (m ³)	N/A	2,433.48 m ³
Water Discharged: Please list all receiving waters/recipients.	N/A	Drainage System
Water Volume Discharged: (m ³)	N/A	2,433.48 m ³
Water Volume Recycled: (m ³)	N/A	No

Total waste Produced (please state units)	N/A	55,144.85 kg
Total hazardous waste Produced: (please state units)	N/A	144.85 Kg
Waste to Recycling: (please state units)	N/A	No
Waste to Landfill: (please state units)	N/A	No
Waste to other: (please give details and state units)	N/A	No
Total Product Produced (please state units)	N/A	417,014 Pcs

10C: Business Ethics – 4-Pillar Audit

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

To be completed for a 4-Pillar SMETA Audit

10C. Compliance Requirements

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

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

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

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

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

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

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

10C. Guidance for Observations

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

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

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

Current Systems and Evidence Examined

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

Current systems:

- Mr. Atiqul Islam Apu, Asst. General Manager (HR, Admin & Compliance) is the designated person responsible for implementing standards concerning Business Ethics, and that site practices were conducted without any corruption and/or bribery.
- The company established a business ethics policy to communicate both externally and internally and provide training on business ethics.
- There was an internal grievance process on site.

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

Details:

- The company business ethics policy including Bribery Corruption
- Training records
- Worker handbook

- Reports from Anonymous email account
- Management interview
- Worker interview

Any other comments: None

Non-compliance:

Description of non-compliance:

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

A: Does the facility have a Business Ethics Policy and is the policy communicated and applied internally, externally or both, as appropriate?

- ☒ Internal Policy
☒ Policy for third parties including suppliers

A1: Please give details: The factory has a Business Ethics Policy and the policy communicated also applied both internally and externally. The both communication and application performed through training, notice board and providing policy requirement to external stake holders.

B: Does the site give training to relevant personnel (e.g., sales and logistics) on business ethics issues?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No B1: Please give details: The site provided training records about sales and logistics member on business ethics for review.
C: Is the policy updated on a regular (as needed) basis?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No C1: Please give details: The site provided training records about sales and logistics member on business ethics for review.
D: Does the site require third parties including suppliers to complete their own business ethics training	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No D1: Please give details: Site has conducted training on anti-corruption and bribery policy to their own supplier and employees.

Other findings

Other Findings Outside the Scope of the Code
None Observed










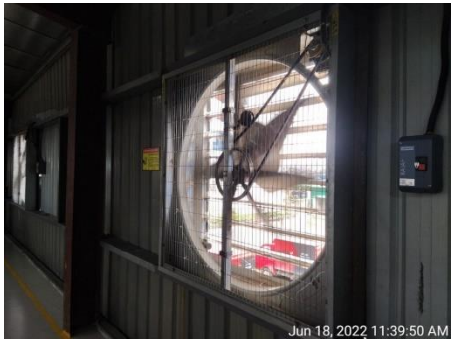


Community Benefits
<i>(Please list below any specific community benefits that the site management stated that they were involved in, for example, HIV programme, education, sports facilities)</i>
None Observed

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><input checked="" type="checkbox"/> Not Applicable please x</p>

Photo Form

Factory Name	Factory Main Gate	Factory Building
Cutting Section	Sewing Section	Sewing Section
Finishing Section	Finishing Section	Accessories Store
Grievance Box	Emergency Evacuation Plan	Firefighting equipment

 <p>Jun 18, 2022 11:32:44 AM</p>	 <p>Jun 18, 2022 11:32:25 AM</p>	 <p>Jun 18, 2022 11:39:16 AM</p>
<p>Fire Alarm Bell</p>	<p>Gong Bell</p>	<p>Fire Alarm Switch</p>
 <p>Jun 18, 2022 11:31:53 AM</p>	 <p>Jun 18, 2022 11:32:45 AM</p>	 <p>Jun 18, 2022 11:32:39 AM</p>
<p>PA System</p>	<p>Exit Sign</p>	<p>Emergency Light</p>
 <p>Jun 18, 2022 11:32:01 AM</p>	 <p>Jun 18, 2022 11:32:40 AM</p>	 <p>Jun 18, 2022 11:43:25 AM</p>
<p>Smoke Detector</p>	<p>Fire Hose Pipe</p>	<p>Policy Board</p>
 <p>Jun 18, 2022 11:39:50 AM</p>	 <p>Jun 18, 2022 11:34:54 AM</p>	 <p>Jun 18, 2022 11:27:35 AM</p>
<p>Exhaust fan</p>	<p>Hand Wash Station</p>	<p>First Aid Box</p>

Notice Board	Risk Related Awareness Poster	Dining Hall
Medical Room	Child Care Room	Canteen
Staircase	Toilet - Male	Toilet - Female
Boiler	Generator	Attendance record machine

Non-compliance photo



Needle guards with sewing (plain)
machine was misplaced.
NC Picture No. 01



Safety barrier was missing band
knife machine
NC Picture No. 02



For more information visit: [Sedexglobal.com](https://www.sedexglobal.com)

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:](https://www.surveymonkey.com/s.aspx?sm=riPsbE0PQ52ehCo3lnq5lw_3d_3d)

[http://www.surveymonkey.com/s.aspx?sm=riPsbE0PQ52ehCo3lnq5lw_3d_3d](https://www.surveymonkey.com/s.aspx?sm=riPsbE0PQ52ehCo3lnq5lw_3d_3d)

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

[http://www.surveymonkey.com/s.aspx?sm=d3vYsCe48fre69DRglY_2brg_3d_3d](https://www.surveymonkey.com/s.aspx?sm=d3vYsCe48fre69DRglY_2brg_3d_3d)

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