



# Sedex Members Ethical Trade Audit Report

**Version 6.1**



Audit Details			
Sedex Company Reference: <i>(only available on Sedex System)</i>	ZC416984741	Sedex Site Reference: <i>(only available on Sedex System)</i>	ZS417278038
Business name (Company name):	JUNIPER EMBROIDERIES LTD.		
Site name:	Juniper Embroideries Ltd		
Site address:	Plot-67, Kandi Boilerpur, Horindhara, Tetuljhora, Hemayetpur, Savar, Dhaka Dhaka 1340 BD	Country:	BD
Site contact and job title:	Md. Rezuarul Karim / Senior Officer (HR & Compliance)		
SMETA Audit Pillars:	<input checked="" type="checkbox"/> Labour Standards	<input checked="" type="checkbox"/> Health and Safety (plus Environment 2-Pillar)	<input checked="" type="checkbox"/> Environment 4-pillar <input checked="" type="checkbox"/> Business Ethics
Date of Audit:	2023-01-26		

Audit Company Name:
TUV Rheinland (TUEV Rheinland)

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)			

## 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 (March 2019) 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.

Auditor Team			
Lead Auditor:	Asadur Rahman	APSCA Number:	21701424
Additional Auditors:	Rafat Kamran Pasha Fatema Shahinur Jahan		
Date of declaration:	2023-01-26		

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.

Site Representation	
Full Name:	Md. Rezuhanul Karim
Title:	Senior Officer (HR & Compliance)
Date of declaration:	2023-01-26
Comments:	

## Summary of Findings

Issue <i>(please click on the issue title to go direct to the appropriate audit results by clause)</i>	Area of Non-Conformity		Number of issues			Findings
	ETI	Local Law	NC	Obs	GE	
<a href="#">0A - Universal rights covering UNGP</a>			0	0	0	
<a href="#">0B - Management systems and code implementation</a>			0	0	0	
<a href="#">1 - Freely chosen employment</a>			0	0	0	
<a href="#">2 - Freedom of association and right to collective bargaining are respected</a>			0	0	0	
<a href="#">3 - Working conditions are safe and hygienic</a>	3.1 3.1 3.1 3.1	§1 §2 §3	4	0	0	NC - ZAF600013719 NC - ZAF600013720 NC - ZAF600013721 NC - ZAF600013722
<a href="#">4 - Child labour shall not be used</a>			0	0	0	
<a href="#">5 - Living wages are paid</a>			0	0	0	
<a href="#">6 - Working hours are not excessive</a>	6.4		1	0	0	NC - ZAF600013723
<a href="#">7 - No discrimination is practiced</a>			0	0	0	
<a href="#">8 - Regular employment is provided</a>			0	0	0	
<a href="#">8A - Subcontracting and homeworking</a>			0	0	0	
<a href="#">9 - No harsh or inhumane treatment is allowed</a>			0	0	0	
<a href="#">10A - Entitlement to work and immigration</a>			0	0	0	
<a href="#">10B2 - Environment 2-pillar</a>			0	0	0	
<a href="#">10B4 - Environment 4-pillar</a>	10.B4.3		1	0	0	NC - ZAF600013724
<a href="#">10C - Business ethics 4-pillar</a>			0	0	0	

## Local Law Issues

Issue	Description
§1	Reference: Bangladesh Labour Rules 2015, Schedule 4(2) B (1) Schedule-4 (2) Functions and responsibilities of the safety committee: (B) Following matters shall be included in the guideline prepared under clause (a),namely:1. Risk and safety related management of the firm: (a) Identifying risky areas (like parts of building, stairs, premises, electric lines,machinery, etc);(b) Nature of risk (like crack, gate locked during working hours, dangerous electric connection, etc);(c) Risk level (like high/medium/general/not satisfactory); (d) Assessment of immediate duties (like prohibition of use, immediate repair, reforms, closure); (e) Assessment of necessary protection system in different nature and levels of risk; and (f) Assessment of technical and administrative liability.
§2	Reference: Bangladesh Labour Rules 2015, Rule 68 (10) The owner shall place Material Safety Data Sheet (MSDS) of dangerous materials in an easily noticeable place so that the employed worker can be well informed about the possible hazards.

§3	Reference: The Building Construction Act 1952, Section 3(1) Notwithstanding anything contained in any other law for the time being in force, or in any agreement, no person shall, without the previous sanction of an Authorized Officer, construct or re-construct or make addition or alternation to any building, or excavate or re-excavate any tank within the area to which this Act applies; and such sanction shall be subject to such terms and conditions as the Authorized Officer may think fit to impose.
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## Site Details

Site Details		
Company Name	JUNIPER EMBROIDERIES LTD.	
Site Name	Juniper Embroideries Ltd	
GPS location (if available)	GPS Address:	Plot-67, Kandi Boilerpur, Horindhara, Tetuljhora, Hemayetpur, Savar, Dhaka, Bangladesh
	Coordinates:	Latitude: 23.788736, Longitude: 90.249138
Applicable business and other legally required licence numbers and documents, for example, business license number, liability insurance, any other required government inspections	1.Certificate of Incorporation: C-30575(1791)/96, incorporated on 20th April 1996. 2.Factory license: 13732/Dhaka (F Category), valid till 30th June 2023. 3.Trade license: 000302, issued by "Tetuljhora Union Parishad", valid till 30th June 2023. 4.BEMEA Membership Number: 01-00091.	
Products/Activities at site, for example, garment manufacture, electricals, toys, grower, cutting, sewing, packing etc	Main production processes: Embroidery.	
Site description: (Include size, location, and age of site. Also, include structure and number of buildings)	<p>Juniper Embroideries Ltd. is located at Plot-67, Kandi Boilerpur, Horindhara, Tetuljhora, Hemayetpur, Savar, Dhaka, Bangladesh. The factory was incorporated on 20th April 1996 and started operation from the same year. Factory has a production capacity of producing 4,50,000 pieces of garments per month. There are total 123 permanent employees on site (67 are male employees and 56 are female employees) including management, process workers and service workers. All workers are Bangladeshi by birth. Working day starts from Saturday to Thursday. Friday is weekly holiday. General working hours starts from 08:00 am to 05:00 pm with one-hour break which starts from 01:00 pm 02:00 pm. All workers of embroidery have 02 shifts which are started from 08:00 am to 05:00 pm and 09:00 pm to 06:00 am including 01 hour resting break. Factory maintains workers attendance by electronic time keeping system (Punch Card) and paying monthly salary through bank transfer for all employees. The facility's wage period is 1-30/31th of the month. The peak season in this facility is same around the year. There is another sister concern factory Babylon Printers Ltd. in the same premise. They both share some combined facilities which is detailed described in the below noted building description.</p>	

Structure and number of buildings	<b>Building Name:</b>		Shed-1
	<b>Floor</b>	<b>Description</b>	<b>Remark</b>
	Ground Floor	Embroidery Section, Finishing Section, Accessories Store, Spray Room, Maintenance Room, Needle Detection Room, Office Room	Used by Juniper Embroideries Ltd.
	<b>Building Name:</b>		Shed-2
	<b>Floor</b>	<b>Description</b>	<b>Remark</b>
	Ground Floor	Generator Room, Substation Room	Commonly used by Juniper Embroideries Ltd. & Babylon Printers Ltd.
	<b>Building Name:</b>		Shed-3
	<b>Floor</b>	<b>Description</b>	<b>Remark</b>
	Ground Floor	Security Post, Fire Hydrant Room	Commonly used by Juniper Embroideries Ltd. & Babylon Printers Ltd.
	<b>Building Name:</b>		Building-1
	<b>Floor</b>	<b>Description</b>	<b>Remark</b>
	Ground Floor	Sample Section	Used by Babylon Printers Ltd.
	1st Floor	Meeting Room, Office, Lab	Used by Babylon Printers Ltd.
	2nd Floor	Dining, Canteen	Commonly used by Juniper Embroideries Ltd. & Babylon Printers Ltd.
	<b>Building Name:</b>		Shed-4
	<b>Floor</b>	<b>Description</b>	<b>Remark</b>
	Ground Floor	Child Care, Medical	Commonly used by Juniper Embroideries Ltd. & Babylon Printers Ltd.
	1st Floor	Expose Room	Used by Babylon Printers Ltd.
	<b>Building Name:</b>		Shed-5
	<b>Floor</b>	<b>Description</b>	<b>Remark</b>
	Ground Floor	Store	Used by Babylon Printers Ltd.
	<b>Building Name:</b>		Shed-6
	<b>Floor</b>	<b>Description</b>	<b>Remark</b>
	Ground Floor	Maintenance	Used by Babylon Printers Ltd.



	<b>Building Name:</b>		Shed-7
	<b>Floor</b>	<b>Description</b>	<b>Remark</b>
	Ground Floor	Compressor	Used by Babylon Printers Ltd.
	<b>Building Name:</b>		Shed-8
	<b>Floor</b>	<b>Description</b>	<b>Remark</b>
	Ground Floor	ETP	Used by Babylon Printers Ltd.
	<b>Building Name:</b>		Shed-9
	<b>Floor</b>	<b>Description</b>	<b>Remark</b>
	Ground Floor	Production Floor	Used by Babylon Printers Ltd.
Visible structural integrity issues (large cracks) observed?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No Please give details: No visible structural integrity issues (large cracks) were observed.		
Does the site have a structural engineer evaluation?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No Please give details: During review of building approval plan and management interview it was noted that the factory buildings and Sheds were approved from Tetuljhora Union Parishad instead of concern authority (i.e- RAJUK)		
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		
Months of peak season			
Process overview	Main production processes: Embroidery. Machine List: Embroideries Machine, Re-cone Machine, Remade Machine, Metal Detectors Machine, Hand Needle Detector Machine, Generator, Compressor.		
What form of worker representation is there on site?	<input checked="" type="checkbox"/> Union <input type="checkbox"/> Worker Committee <input type="checkbox"/> Other <input type="checkbox"/> None		
Please give details:	Juniper Embroideries Ltd. Combined Workers Union		
Is there any night production work at the site?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No		
Are there any on site provided worker accommodation buildings	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No Please give details:		
Are there any off site provided worker accommodation buildings	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No Please give details:		

Were all site provided accommodation buildings included in this audit

Yes  No

Please give details:

Not applicable, as no accommodation is provided by the facility.

Audit Parameters		
Time in and time out	Day 1	
	In	09:00
	Out	18:00
Audit type:	Full initial	
Was the audit announced?	SEMI_ANNOUNCED	
Was the Sedex SAQ available for review?	Yes	
Any conflicting information SAQ/Pre-Audit Info to Audit findings?	No	
Who signed and agreed CAPR	Md. Rezuhanul Karim / Senior Officer (HR & Compliance)	
Is further information available	No	

Audit attendance	Management	Worker Representatives	
	Senior management	Worker Committee representatives	Union representatives
A: Present at the opening meeting?	Yes	No	Yes
B: Present at the audit?	Yes	No	Yes
C: Present at the closing meeting?	Yes	No	Yes
<i>Reason for absence at the opening meeting</i>	Not applicable as Union representative was present during the audit. Moreover, there is no need to form participation committee if there is a Trade union in the facility. [Amendment of 2018, section-32 (12), Labour Law 2006].		
<i>Reason for absence during the audit</i>	Not applicable as Union representative was present during the audit. Moreover, there is no need to form participation committee if there is a Trade union in the facility. [Amendment of 2018, section-32 (12), Labour Law 2006].		
<i>Reason for absence at the closing meeting</i>	Not applicable as Union representative was present during the audit. Moreover, there is no need to form participation committee if there is a Trade union in the facility. [Amendment of 2018, section-32 (12), Labour Law 2006].		

## 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*			Home workers	Total
	Permanent	Temporary	Agency	Permanent	Temporary	Agency		
Worker numbers – male	67	0	0	0	0	0	0	67
Worker numbers – female	56	0	0	0	0	0	0	56
Total	123	0	0	0	0	0	0	123
Number of Workers interviewed – male	14	0	0	0	0	0	0	14
Number of Workers interviewed – female	12	0	0	0	0	0	0	12
Total – interviewed sample size	26	0	0	0	0	0	0	26

Nationalities Structure	
Nationality of Management	Bangladeshi
Please list the nationalities of all workers, with the three most common nationalities listed first.	Nationality 1: Bangladeshi approx %: 100%
Was this list completed during peak season?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No Please give details: Not applicable as the facility has same production flow round the year. No peak season was defined.
Worker remuneration	Workers on piece rate: 0%
	Paid hourly: 0%
	Salaried: 100%
Payment cycle	Paid daily: 0%
	Paid weekly: 0%
	Paid monthly: 100%
	Other: 0%
	Details for other: NA

Worker Interview Summary	
Were workers aware of the audit?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
Were workers aware of the code?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
Number of group interviews:	4
Number of individual interviews:	Male: 4 Female: 2
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.	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No Please give details:
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
In general, what was the attitude of the workers towards their workplace?	<input checked="" type="checkbox"/> Favorable <input type="checkbox"/> Non-favourable <input type="checkbox"/> Indifferent
What was the most common worker complaint?	No complaint
What did the workers like the most about working at this site?	Worker can easily apply for leave, Comfortable work environment, on time wages payment including overtime, Management are cooperative, workers can talk directly to management if they have any concern.
Any additional comment(s) regarding interviews:	None
Attitude of workers to hours worked:	Workers have no complaint about working hour as they have been paid accurately.
Is there any worker survey information available?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No Please give details:

<p>Attitude of workers:</p> <p>The auditors of TÜV Rheinland Bangladesh Pvt. Ltd. have conducted confidential interviews with workers who were chosen freely without any influence of the factory management. 26 workers were randomly selected from different workshops for individual or group interviews. Worker interviews were conducted at an independent room that is located near their workplace. The workers have shown full cooperation during the interview process. The effective evidences were collected by workers interview. Workers have expressed their positive attitude to management and workplace. They agreed with the rules and management of the factory. The information of interview was as below: All interviewees confirmed that the factory checked their age proof records to verify their ages during recruitment. Moreover, all interviewed workers' declared their ages were over 18 years old. The workers confirmed no "deposit" was required and their original documents such as ID cards were kept by themselves. Employees are provided personal protective equipment (PPE) and receive medical treatment free of cost. Workers are able to save money each month for their future needs. Interviewed workers said they have never be fined or fired if they broke the factory rules. Only deduction for absent has been done form the wages. Workers reported they worked for 6 days per week. 8 hours per day. Workers confirmed no harsh or inhumane treatment occurred and the management was kind to all employees. No restrictions have been imposed by the management to form union to the facility. Workers could also complain to their management directly or write anonymous letter and drop it into the complaint box.</p>
<p>Attitude of worker's committee/union reps:</p> <p>General Secretary of trade union (Reg No-5393) was present during the interview and closing time. The member of Trade union was positive and cooperative during the audit. He ensured that the management of the factory are co-operative and very much cordial to solve any kind of issue they raised. He is happy with the working environment of the factory. Last election was on 28th May 2019. Trade Union has been formed with the workers representatives as per local regulation. There are total 9 members in this committee (9 from production workers). Meeting is conducted between worker's representative and management as per law. Last meeting was on 20th December 2022.</p>
<p>Attitude of managers:</p> <p>Management of the factory was positive and supportive during the whole audit. Md. Rezuarul Karim – Senior Officer (HR &amp; Compliance) is the key person of the compliance team and for compliance with the Code, legal requirements, development of policies and its implementation, monitoring &amp; control. In this backdrop, management had comprehensive knowledge, as assumed, about audit requirements and scope; e.g. ETI Base Code, local laws etc. The factory management was found to be co-operative throughout the audit.</p>



**0A - Universal Rights covering UNGP**  
**[Summary of Findings]**

**0A: Compliance Requirements**

- 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:**

- Facility person are well known about grievance system and facility has given access to enable the workforce to report to the company on Human Rights issues (grievances), without fear of reprisals towards the reporter.
- Md. Rezuhanul Karim – Senior Officer (HR & Compliance) is designated as responsible person for management of Human rights impacts.
- Facility communicated policy and procedures with their suppliers.
- Facility has identified their stakeholder's issues; though they have policy procedures covering human rights impacts and issues.

**Evidence examined:**

Documents review (i.e. review of company policy with revision number, procedures, Training with latest date, Internal audit with date), management interview and workers interview.

**Any other comments:**

Nil

Policy statement that expresses commitment to respect human rights?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No  Please give details: Facility has developed its own policies and procedures that respect human rights.
Are the policies included in workers' manuals?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No  Please give details: The policies are included in workers' manuals.
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: Md. Rezuhanul Karim – Senior Officer (HR & Compliance) is responsible for overall implementation of human rights.

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 Please give details: Facility has provided access to a grievance system to enable the workforce to report to the company on Human Rights issues (grievances), without fear of reprisals towards the reporter.
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
Does the business demonstrate effective data privacy procedures for workers' information, which is implemented?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No Please give details: Facility maintains personal file for individual workers. All workers' information is kept there.
<b>Measuring Workplace Impact</b>	
Annual worker turnover(Number of workers leaving in last 12 months as a % of average total number of workers on site over the year (annual worker turnover))	Last year <span style="float: right;">3%</span> This year <span style="float: right;">5%</span>
Current % quarterly (90 days) turnover(Number of workers leaving from the first of the 90 day period through to the last day of the 90 day period / [(number of employees on the 1st day of 90 day period + number of employees on the last day of the 90 day period) / 2])	5%
Annual % absenteeism(Number of days lost through job absence in the year / [(number of employees on 1st day of the year + number employees on the last day of the year) / 2] * number available workdays in the year)	Last year <span style="float: right;">2%</span> This year <span style="float: right;">1%</span>
Quarterly (90 days) % absenteeism(Number of days lost through job absence in the period / [(Number of employees on 1st of the period + Number of employees on the last day of the period) / 2] * Number of available workdays in the month)	2%
Are accidents recorded?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No Please give details: Injury was recorded in the medical center and Injury analysis was properly conducted.
Annual Number of work related accidents and injuries per 100 workers((Number of work related accidents and injuries * 100) / Number of total workers)	Last year <span style="float: right;">1%</span> This year <span style="float: right;">0%</span>

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%	
Lost day work cases per 100 workers([(Number of lost days due to work accidents and work related injuries * 100) / Number of total workers])	Last year	0%
	This year	0%
% of workers that work on average more than 48 standard hours / week in the last 6 / 12 months	6 month	0%
	12 month	0%
% of workers that work on average more than 60 total hours / week in the last 6 / 12 months	6 month	3%
	12 month	4%

**0B - Management Systems and code Implementation**  
[Summary of Findings]

**0B: Compliance Requirements**

- 0.B.1 Suppliers are expected to implement and maintain systems for delivering compliance to this Code.
- 0.B.2 Suppliers shall appoint a senior member of management who shall be responsible for compliance with the Code.
- 0.B.3 Suppliers are expected to communicate this Code to all employees.
- 0.B.4 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.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:**

- Management system policy and procedure established by the facility as complying local law, ETI base code and ILO standard and this system also implemented in the facility.
- Md. Rezuhanul Karim - Senior Officer (HR & Compliance) is the responsible for compliance.
- Facility has valid license (Fire License, Factory license, trade license etc.).
- Factory provide training on ETI Base Code to the workers & mid-level management like supervisors, floor incharge etc.
- Facility has communicated ETI code to its supplier.
- Through the document review and management interview it facility had filled out the SAQ.

**Evidence examined:**

Documents review (i.e. License/permit with validity date, Training with latest date, Internal audit with date, policy with revision number), management interview, workers interview and site tour.  
 1. Factory license: 13732/Dhaka (F Category), valid till 30th June 2023.  
 2. Trade license: 000302, issued by "Tetuljhora Union Parishad", valid till 30th June 2023.  
 Training on ETI Base Code:  
 To workers: 18th January 2023  
 To Mid-level management: 8th December 2022

**Any other comments:**

Nil

**Management Systems**

In the last 12 months, has the site been subject to any fines/prosecutions for non-compliance to any regulations?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No  Please give details:  No evidence of fines/prosecutions for non-compliance against legal regulations found in the last twelve months since operation began.
Do policies and/or procedures exist that reduce the risk of forced labour, child labour, discrimination, harassment & abuse?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No  Please give details:  There are written policies and procedures to reduce the risk of forced labour, child labour, discrimination and harassment & abuse and these were communicated with employees through notice board and training programmes.

<p>If Yes, is there evidence (an indication) of effective implementation? Please give details.</p>	<p>Factory has communicated policies and procedures to reduce risk of forced labour, child labour, discrimination and harassment &amp; abuse with the workers through training program and also posted those policies in the notice board. No complaint found from interviewed workers too.</p>
<p>Have managers and workers received training in the standards for forced labour, child labour, discrimination, harassment &amp; abuse?</p>	<p><input checked="" type="checkbox"/> Yes <input type="checkbox"/> No</p> <p>Please give details:</p> <p>The facility provide training on policy and procedure. They have regular programs for training up the workers and management to improve knowledge. In addition, facility discuss topics like legal right, forced labour, child labour, discrimination, harassment &amp; abuse in orientation training. Last orientation training conducted on January 2023.</p>
<p>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</p> <p>Please give details:</p> <p>Managers and workers have received training on the standards for forced labour, child labour, discrimination, harassment &amp; abuse and factory preserved training records as evidence. They have sufficient knowledge on these matters as observed through interview.</p>
<p>Does the site have any internationally recognised system certifications e.g. ISO 9000, 14000, OHSAS 18000, SA8000 (or other social audits)?</p>	<p><input type="checkbox"/> Yes <input checked="" type="checkbox"/> No</p> <p>Please give details:</p> <p>The site does not have other internationally recognised system certifications.</p>
<p>Is there a Human Resources manager/department?</p>	<p><input checked="" type="checkbox"/> Yes <input type="checkbox"/> No</p> <p>Factory has a Human Resources Department, which is under supervision of Md. Rezuhanul Karim - Senior Officer (HR &amp; Compliance) is the responsible for this department and his team.</p>
<p>Is there a senior person /manager responsible for implementation of the code?</p>	<p><input checked="" type="checkbox"/> Yes <input type="checkbox"/> No</p> <p>Please give details:</p> <p>Md. Rezuhanul Karim - Senior Officer (HR &amp; Compliance)</p>
<p>Is there a policy to ensure all worker information is confidential?</p>	<p><input checked="" type="checkbox"/> Yes <input type="checkbox"/> No</p> <p>Please give details:</p> <p>Facility has written policy on this matter, however as reported by the management, they have a process to update all worker information at their personal file which is kept confidential at the HR department.</p>
<p>Is there an effective procedure to ensure confidential information is kept confidential?</p>	<p><input checked="" type="checkbox"/> Yes <input type="checkbox"/> No</p> <p>Please give details:</p> <p>Facility maintains personal file for individual workers. All workers' information is kept there confidentially. Moreover, facility maintains software system for workers' wage and benefit.</p>

Are risk assessments conducted to evaluate policy and procedure effectiveness?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No Please give details: Factory conduct risk assessment covering all areas and risks have been assessed for corruption in production process, maternity benefits, grievance procedures, etc.
Does the facility have a process to address issues found when conducting risk assessments, including implementation of controls to reduce identified risks?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No Please give details: Facility didn't conduct ergonomic risk assessment as finishing section operators sitting a tool without back support for long hours at shed 1 which may cause health effects (such as backbone pain) in the long run.
Does the facility have a policy/code which require labour standards of its own suppliers?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No Please give details: Facility has developed its own policy for suppliers which require labour standards.
<b>Land Rights</b>	
Does the site have all required land rights licenses and permissions (see SMETA Measurement Criteria)?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No Please give details: Facility owner owns the property.
Does the site have systems in place to conduct legal due diligence to recognize and apply national laws and practices relating to land title?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No Please give details: The site have systems in place to conduct legal due diligence to recognize and apply national laws and practices relating to land title.
Does the site have a written policy and procedures specific to land rights?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No Please give details: Facility has no written policy specific to land rights. Facility owns the building for long time.
Is there evidence that facility/site compensated the owner/lessor for the land prior to the facility being built or expanded?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No Please give details: The facility compensated the owner for the land prior to the facility being built or expanded.
Does the facility demonstrate that alternatives to a specific land acquisition were considered to avoid or minimize adverse impacts?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No Please give details: Facility is located in the same building for long time. Facility has impact assessment report by third party.
Is there any evidence of illegal appropriation of land for facility building or expansion of footprint?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No Please give details: NA, there is no evidence of illegal appropriation of land for facility building or expansion of footprint.



**1 - Freely chosen Employment**  
**[Summary of Findings]**

1: Compliance Requirements  
 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 facility does not hold any identification papers. The facility maintain copies of all hiring documents such application, ID proof, date of birth certificates, school certificates etc.  
 • Factory management does not retain any original documents, financial bondage etc. from the workers, which was confirm through workers’ interview and review of factory’s policies.  
 • The facility does not limit the workers’ freedom. Workers are free to leave the work place and manage their own time while not on duty. If workers are choose to quit their job, they are free to do so, as long as they are fulfilled their obligations agreed under their appointment letter/agreement.  
 • It was noted through workers’ interview that overtime is voluntary.  
 • Md. Rezuatul Karim - Senior Officer (HR & Compliance) is responsible for taking care for hiring the empowerment as per company policy and procedures.

**Evidence examined:**

Documents review (i.e. recruitment policy with revision date, working hour policy with revision date, workers’ personal file, security guard job description, Training with latest date etc.), management interview and workers interview.

**Any other comments:**

Nil

Is there any evidence of retention of original documents, e.g. passports/ID’ (If yes, please give details and category of workers affected)	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No Please give details:
Is there any evidence of a loan scheme in operation (If yes, please give details and category of workers affected)	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No Please give details:
Is there any evidence of retention of wages / deposits (If yes, please give details and category of workers affected)	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No Please give details:
Are there any restrictions on workers’ freedom to terminate employment?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No Please give details: There were no restrictions found on workers’ freedom to terminate employment.
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 Please give details: Not applicable



<p>Is there evidence of any restrictions on workers' freedoms to leave the site at the end of the work day?</p>	<p><input type="checkbox"/> Yes <input checked="" type="checkbox"/> No</p> <p>Please give details:</p> <p>There were no evidence of any restrictions found on workers' freedoms to leave the site at the end of the work day.</p>
<p>Does the site understand the risks of forced / trafficked / bonded labour in its supply chain</p>	<p><input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> Not Applicable</p> <p>Please give details:</p> <p>Facility management has proper understanding regarding the risk of forced / trafficked / bonded labour in it's supply chain. To prevent this risk, facility has communicated its own policy through the supply chain and takes the consent of the supplier CoC.</p>
<p>Is the site taking any steps taking to reduce the risk of forced / trafficked labour?</p>	<p><input checked="" type="checkbox"/> Yes <input type="checkbox"/> No</p> <p>Please give details:</p> <p>To prevent this risk of forced / trafficked labour, facility has communicated its own CoC through the employees and supply chain and takes the consent of the supplier to respect the CoC.</p>

**2 - Freedom of Association and Right to Collective Bargaining are Respected**  
**[Summary of Findings]**

**2: Compliance Requirements**

- 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:**

- Workers of the factory are free to join into Trade Unions. However, till the audit day the workers and management form trade union in the factory as per local law. Note that workers and management has formed Trade union-(Reg no.-5393) through election.
- Factory management has formed union through election process dated on 28th May 2019. Last meeting date: 20th December 2022.
- There are total 9 members in union committee. Union members have full access to members at workplace. During audit, through interview & others process no evidence was identified regarding different treatment between Trade union members & general workers.
- It was noted through interview; Meetings' minutes were recorded and communicated to employees through Union Committee member. During worker interview, it was observed that workers were aware about trade union activities.
- Verified and confirmed through records review and interview process that the facility does not discriminate any of the workers and union representatives also.
- Factory management communicates grievance review progress to employees and individuals. If employees address their complaints directly through verbally or written to management then they are informed accordingly about grievance review progress. If employees address their complaints through suggestion box without mentioning their name then its review progresses are shared to the mass people through notice board, employee representatives and PA system.
- Md. Rezuwanul Karim - Senior Officer (HR & Compliance) is responsible for compliance with the Code.

**Evidence examined:**

Documents review (i.e. Policy with revision number, Union formation records & meeting minutes, grievance handling procedure, suggestion box record, Internal audit with date etc.), management interview and workers interview.

**Any other comments:**

Nil

What form of worker representation/union is there on site? (Please add the name of the union or committee in the textbox)	<input checked="" type="checkbox"/> Union <input type="checkbox"/> Other	<input type="checkbox"/> Worker Committee <input type="checkbox"/> None
Other details:	Workers and management of the facility have formed Trade union-(Reg no.-5393) through election process dated on 28th May 2019. There are total 9 members in union committee.	
Is it a legal requirement to have a union?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	
Is it a legal requirement to have a worker's committee?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	

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 Please give details: The facility has formed safety committee. The facility health and safety committee established on 1st March 2022. The factory arrange committee meeting regularly. As the facility has recently established the health and safety committee & meeting was held in facility as per law requirements. There is total 6 members of this committee, 3 is for management and 3 is for workers. They are monitoring the health and safety issue in the production. In addition, factory has a grievance committee along with workers representative and management representative.
Is there evidence of free elections?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
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 Please give details: Facility allows the Trade Union to conduct their activity freely. Last meeting held on 7th December 2022.
Name of union and union representative, if applicable:	Facility has trade union which formed through election and it was named after Juniper Embroideries Ltd. Combined Workers Union- (Reg no.-5393)
Is there evidence of free elections?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> Not Applicable
If there is no union, is there a parallel means of consultation with workers e.g. worker committees?	NA as facility has a trade union.
Is there evidence of free elections?	<input type="checkbox"/> Yes <input type="checkbox"/> No <input checked="" type="checkbox"/> Not Applicable
Are all workers aware of who their representatives are?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No Please give details: All workers were found aware of who their representatives are. Md. Mizanur Rahman, Senior Operator, Stitching is the elected General Secretary of the union.
Were worker representatives freely elected?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
Date of last election:	2019-05-28
Do workers know what topics can be raised with their representatives?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
Were worker representatives/union representatives interviewed?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
If Yes, please state how many:	1.0
Please describe any evidence that union/worker's committee is effective? Specify date of last meeting; topics covered; how minutes were communicated etc.	1. Last Trade union meeting was conducted on 20th December 2022. 2. Union meeting minutes recorded and action taken. 3. Complain box was opened in every month, register maintain and action taken by senior management if there any complain. 4. Union representative shared the discussed topics with others workers and it is posted in notice board.
Are any workers covered by Collective Bargaining Agreement (CBA)?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No



**3 - Working Conditions are Safe and Hygienic**  
**[Summary of Findings]**

**3: Compliance Requirements**

- 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:**

- Through factory tour, document review, management and worker interview it was noted that:
- Facility provides training regularly on health and safety to the worker to ensure the safety for all workers during orientation training as well as in H&S training. All training documents were maintained properly.
  - All the exits were found unlocked and marked. Facility has installed door those were found outwards. The production floor was found well ventilated. Exit signs and emergency lights were installed.
  - Firefighting training was provided to the workers. Firefighters found wearing identification dress as per law in production area. All the firefighters are trained from Fire Service Civil Defence Authority.
  - Monthly inspection record is found available for all fire equipment like fire extinguishers, hose reel, fire alarms, fire hydrant etc.
  - Workers have access to washroom whenever they needed. Factory has sufficient toilet and washroom facility for employees.
  - Drinking water facility was available in all the production floor and storage area. Adequate drinking water point found in the production floor.
  - The facility has done maintenance of the machines on regular basis confirmed through the documents reviewed. Factory has sufficient electricians to install and check electrical installations daily basis by electricians of the facility.
  - Facility follows procedures of keeping sickness and injury records that are treated by the doctors, nurse and first aiders. Also facility has a procedure for identification, recording and analysing of root causes of all major and minor injuries and sickness, in order to prevent further injuries among workers during work.
  - First aid kits were found in all the first aid box and maintained properly. As per management interview 02 person designated for each first aid box.
  - First Aid training was conducted on the site periodically.
  - Facility has contract agreement with nearest hospital (Standard Hospital) for any emergency agreement.
  - Md. Rezuwanul Karim - Senior Officer (HR & Compliance) is responsible for compliance with the Code.

**Evidence examined:**

Documents review (i.e. License/permit with validity date, Training with latest date, Internal audit with date, Policy with revision number, maintenance record), management interview, and workers interview and plant tour.

Facility shared following license details during audit-

- Fire license: DD/Dhaka/26631/2017; issued by Bangladesh Fire Service & Civil Defence Authority, valid till 30th June 2023.
- Drinking water test report: Last test conducted on 11th December 2022 from Dept. of Public Health Engineering.

Facility shared following training details during audit-

- Health & Safety Training - 01/12/2022
- Fire Fighting Training – 24/01/2023
- First Aid Training – 08/01/2023
- PPE Training – 22/12/2022
- Mid-level Management Training – 08/12/2022

Facility shared following firefighting equipment during audit-

Fire Equipment name - Total

- Fire extinguisher:
  - ABC - 15
  - CO2 - 4
- Fire alarm call point - 5
- Fire alarm sounder - 6
- Public Address (PA) system - 8
- Fire Hose Reel - 3
- Smoke Detector - 32
- Emergency light - 18
- Fog light - 22
- Gumboot - 5 pair
- Fire Blanket - 5
- Water reserve - 34169 gallon/Ltr
- Hydrant Pressure - 6.5 Bar
- Total number of firefighters - 30
- Total number of electricians - 3

Maintenance record details-

Inspection record - Last inspection date - Done by

- Generator Maintenance - 30/10/2022 - Internal Team
- Compressor Inspection - 28/12/2022 - Internal Team

**Any other comments:**


Nil

<p>Does the facility have general and occupational Health &amp; 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</p> <p>Please give details:</p> <p>Facility has established Health &amp; Safety policies and procedures that are fit for purpose and these are communicated to workers through policy board.</p>
<p>Are the policies included in workers' manuals?</p>	<p><input checked="" type="checkbox"/> Yes <input type="checkbox"/> No</p> <p>Please give details:</p> <p>Facility has included Health &amp; Safety policy in worker's manual.</p>


<p>Are there any structural additions without required permits/inspections (e.g. floors added)?</p>	<p><input type="checkbox"/> Yes <input checked="" type="checkbox"/> No</p> <p>Please give details:</p> <p>Facility has taken construction approval for all of its building &amp; sheds from Tetuljhora Union Parishad chairman instead of concern authority (i.e- RAJUK).</p>
<p>Are visitors to the site informed on H&amp;S and provided with personal protective equipment?</p>	<p><input checked="" type="checkbox"/> Yes <input type="checkbox"/> No</p> <p>Please give details:</p> <p>Visitors are informed on H&amp;S policies and provided with personal protective equipment.</p>
<p>Is a medical room or medical facility provided for workers?(This section is to list evidence to support system description (Documents examined &amp; relevant comments. Include renewal/expiry date where appropriate))</p>	<p><input checked="" type="checkbox"/> Yes <input type="checkbox"/> No</p> <p>Please give details:</p> <p>Medical room of the facility was found comply with the local law.</p>
<p>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</p> <p>Please give details:</p> <p>Facility has a dedicated medical room with 1 registered doctor &amp; 1 medical asst. available. In addition, facility has 2 first aid box and 10 first aider. As per management interview 02 person designated for each first aid box.</p>
<p>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</p> <p>Please give details:</p> <p>N/A, no transportation provided for the workers.</p>
<p>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</p> <p>Please give details:</p> <p>N/A, There is no living space provided by the facility.</p>
<p>Are H&amp;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 type="checkbox"/> Yes <input checked="" type="checkbox"/> No</p> <p>Please give details:</p> <p>Facility didn't conduct ergonomic risk assessment as finishing section operators sitting a tool without back support for long hours at shed 1 which may cause health effects (such as backbone pain) in the long run.</p>
<p>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> <p>Please give details:</p> <p>It was noted through documents review and management interview that facility have legally required permits. Facility has an agreement with the waste collector Zakir Enterprise.</p>
<p>Is the site meeting its customer requirements on environmental standards, including the use of banned chemicals?</p>	<p><input checked="" type="checkbox"/> Yes <input type="checkbox"/> No</p> <p>Please give details:</p> <p>Facility meets its customer requirements as they have conducted noise, light level test, indoor air quality, and stack air emission test and temperature and humidity level test. Facility does not use chemical for any of their production process.</p>







Non-Compliance		Evidence
<a href="#">[Back to findings summary]</a>		
<b>Non-Compliance</b>		
Reference	ZAF600013719	
Clause	3 - Working Conditions are Safe and Hygienic	
Issue Title	152 - Health and safety risk assessment conducted, but not suitable / sufficient and/or documented	
Subcategory	Health & Safety Management	
New or carried over?	<input checked="" type="checkbox"/> New <input type="checkbox"/> Carried Over	
Root cause	<input type="checkbox"/> Training <input checked="" type="checkbox"/> System <input type="checkbox"/> Costs <input type="checkbox"/> Lack of workers <input type="checkbox"/> Other	
Root cause - Other		
Local law issue	Reference: Bangladesh Labour Rules 2015, Schedule 4(2) B (1) Schedule-4 (2) Functions and responsibilities of the safety committee: (B) Following matters shall be included in the guideline prepared under clause (a),namely:1. Risk and safety related management of the firm: (a) Identifying risky areas (like parts of building, stairs, premises, electric lines,machinery, etc);(b) Nature of risk (like crack, gate locked during working hours, dangerous electric connection, etc);(c) Risk level (like high/medium/general/not satisfactory); (d) Assessment of immediate duties (like prohibition of use, immediate repair, reforms, closure); (e) Assessment of necessary protection system in different nature and levels of risk; and (f) Assessment of technical and administrative liability.	
ETI 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.	
Explanation to the non compliance	Facility didn't conduct ergonomic risk assessment as finishing section operators sitting a tool without back support for long hours at shed 1 which may cause health effects (such as backbone pain) in the long run.	
Follow up method	<input type="checkbox"/> Follow up audit <input checked="" type="checkbox"/> Desktop audit	
Timescale	<input type="checkbox"/> Immediate <input checked="" type="checkbox"/> 30 days <input type="checkbox"/> 60 days <input type="checkbox"/> 90 days <input type="checkbox"/> 120 days <input type="checkbox"/> 180 days <input type="checkbox"/> 365 days <input type="checkbox"/> Other	
Actions	It is recommended that factory should assess the risk	
		 <u>IMG_9249.JPG</u>

	area and take necessary steps to reduce the risk.	
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Non-Compliance	Evidence																												
<a href="#">[Back to findings summary]</a>																													
<table border="1" style="width: 100%;"> <thead> <tr> <th colspan="2">Non-Compliance</th> </tr> </thead> <tbody> <tr> <td>Reference</td> <td>ZAF600013720</td> </tr> <tr> <td>Clause</td> <td>3 - Working Conditions are Safe and Hygienic</td> </tr> <tr> <td>Issue Title</td> <td>230 - No material safety data sheet (MSDS) obtained / available</td> </tr> <tr> <td>Subcategory</td> <td>Chemicals</td> </tr> <tr> <td>New or carried over?</td> <td> <input checked="" type="checkbox"/> New                             <input type="checkbox"/> Carried Over                         </td> </tr> <tr> <td>Root cause</td> <td> <input type="checkbox"/> Training                             <input checked="" type="checkbox"/> System  <input type="checkbox"/> Costs                             <input type="checkbox"/> Lack of workers  <input type="checkbox"/> Other                         </td> </tr> <tr> <td>Root cause - Other</td> <td></td> </tr> <tr> <td>Local law issue</td> <td>Reference: Bangladesh Labour Rules 2015, Rule 68 (10) The owner shall place Material Safety Data Sheet (MSDS) of dangerous materials in an easily noticeable place so that the employed worker can be well informed about the possible hazards.</td> </tr> <tr> <td>ETI code</td> <td>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.</td> </tr> <tr> <td>Explanation to the non compliance</td> <td>No MSDS was provided for thinner &amp; machine oil jars located at maintenance room and accessories store at Shed 1 noted through facility tour.</td> </tr> <tr> <td>Follow up method</td> <td> <input type="checkbox"/> Follow up audit                             <input checked="" type="checkbox"/> Desktop audit                         </td> </tr> <tr> <td>Timescale</td> <td> <input type="checkbox"/> Immediate                             <input type="checkbox"/> 30 days                             <input checked="" type="checkbox"/> 60 days  <input type="checkbox"/> 90 days                             <input type="checkbox"/> 120 days                             <input type="checkbox"/> 180 days  <input type="checkbox"/> 365 days                             <input type="checkbox"/> Other                         </td> </tr> <tr> <td>Actions</td> <td>It is recommended that the facility should provide MSDS in mentioned area.</td> </tr> </tbody> </table>		Non-Compliance		Reference	ZAF600013720	Clause	3 - Working Conditions are Safe and Hygienic	Issue Title	230 - No material safety data sheet (MSDS) obtained / available	Subcategory	Chemicals	New or carried over?	<input checked="" type="checkbox"/> New <input type="checkbox"/> Carried Over	Root cause	<input type="checkbox"/> Training <input checked="" type="checkbox"/> System <input type="checkbox"/> Costs <input type="checkbox"/> Lack of workers <input type="checkbox"/> Other	Root cause - Other		Local law issue	Reference: Bangladesh Labour Rules 2015, Rule 68 (10) The owner shall place Material Safety Data Sheet (MSDS) of dangerous materials in an easily noticeable place so that the employed worker can be well informed about the possible hazards.	ETI 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.	Explanation to the non compliance	No MSDS was provided for thinner & machine oil jars located at maintenance room and accessories store at Shed 1 noted through facility tour.	Follow up method	<input type="checkbox"/> Follow up audit <input checked="" type="checkbox"/> Desktop audit	Timescale	<input type="checkbox"/> Immediate <input type="checkbox"/> 30 days <input checked="" type="checkbox"/> 60 days <input type="checkbox"/> 90 days <input type="checkbox"/> 120 days <input type="checkbox"/> 180 days <input type="checkbox"/> 365 days <input type="checkbox"/> Other	Actions	It is recommended that the facility should provide MSDS in mentioned area.
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Actions	It is recommended that the facility should provide MSDS in mentioned area.																												
	 <a href="#">IMG_9241.JPG</a>																												

Non-Compliance		Evidence
<a href="#">[Back to findings summary]</a>		
<b>Non-Compliance</b>		
Reference	ZAF600013721	
Clause	3 - Working Conditions are Safe and Hygienic	
Issue Title	233 - Hazardous chemicals are stored unlabelled or labelling is incorrect	
Subcategory	Chemicals	
New or carried over?	<input checked="" type="checkbox"/> New <input type="checkbox"/> Carried Over	
Root cause	<input type="checkbox"/> Training <input checked="" type="checkbox"/> System <input type="checkbox"/> Costs <input type="checkbox"/> Lack of workers <input type="checkbox"/> Other	
Root cause - Other		
ETI 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.	
Explanation to the non compliance	No label of identification was provided for thinner & machine oil jars located at maintenance room and accessories store at Shed 1 noted through facility tour.	
Follow up method	<input type="checkbox"/> Follow up audit <input checked="" type="checkbox"/> Desktop audit	
Timescale	<input type="checkbox"/> Immediate <input checked="" type="checkbox"/> 30 days <input type="checkbox"/> 60 days <input type="checkbox"/> 90 days <input type="checkbox"/> 120 days <input type="checkbox"/> 180 days <input type="checkbox"/> 365 days <input type="checkbox"/> Other	
Actions	It is recommended that the facility should provide label of identification in mentioned area.	
		 IMG_9225.JPG

Non-Compliance		Evidence
<a href="#">[Back to findings summary]</a>		
<b>Non-Compliance</b>		
Reference	ZAF600013722	
Clause	3 - Working Conditions are Safe and Hygienic	
Issue Title	250 - No or inadequate assessment / certificates / report / licence in place for structural safety of building including building stability certificate	
Subcategory	Building/Site Maintenance	
New or carried over?	<input checked="" type="checkbox"/> New <input type="checkbox"/> Carried Over	
Root cause	<input type="checkbox"/> Training <input checked="" type="checkbox"/> System <input type="checkbox"/> Costs <input type="checkbox"/> Lack of workers <input type="checkbox"/> Other	
Root cause - Other		
Local law issue	Reference: The Building Construction Act 1952, Section 3(1) Notwithstanding anything contained in any other law for the time being in force, or in any agreement, no person shall, without the previous sanction of an Authorized Officer, construct or re-construct or make addition or alternation to any building, or excavate or re-excavate any tank within the area to which this Act applies; and such sanction shall be subject to such terms and conditions as the Authorized Officer may think fit to impose.	
ETI 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.	
Explanation to the non compliance	During review of building approval plan and management interview it was noted that the factory buildings and Sheds were approved from Union Parishad chairman instead of concern authority (i.e- RAJUK)	
Follow up method	<input type="checkbox"/> Follow up audit <input checked="" type="checkbox"/> Desktop audit	
Timescale	<input type="checkbox"/> Immediate <input checked="" type="checkbox"/> 30 days <input type="checkbox"/> 60 days <input type="checkbox"/> 90 days <input type="checkbox"/> 120 days <input type="checkbox"/> 180 days <input type="checkbox"/> 365 days <input type="checkbox"/> Other	
Actions	It is recommended that factory should collect building construction approval plan from the concerned authority.	
		 <u>IMG_9318.JPG</u>



**4 - Child Labour Shall Not Be Used**  
**[Summary of Findings]**

**4: Compliance Requirements**

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 factory has established a policy that will never employ and use any child labor.
- The factory verify the workers age through registered doctors.
- Sufficient numbers of employees' personal files were provided for review. Each employee file includes a biodata sheet, a recent photo and the age documentation. The card lists the employee's name, household address and the date of birth.
- According to management & worker interview, factory management does not employ any employees below 18 years of age.
- Md. Rezuarul Karim - Senior Officer (HR & Compliance) is responsible for compliance with the Code

**Evidence examined:**

Documents review (i.e. Training with latest date, Internal audit with date, Policy with revision number personal file), management interview and workers interview.

**Any other comments:**

Nil

Legal age of employment:	14
Age of youngest worker found:	20
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
Percentage of under 18's at this site (of total workers)	0%
Are workers under 18 subject to hazardous work assignments?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No  Please give details: Not applicable as there is no worker under 18.

**5 - Living Wages are Paid**  
**[Summary of Findings]**

**5: Compliance Requirements**

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:**

- Facility has calculated salary period as English calendar month.
- The factory provides monthly wage through bank transfer to the workers as well as management level.
- The factory does not deduct any illegal deduction from employees confirm through document reviewed and workers interview.
- No worker was found getting below from minimum wage. Facility minimum wage is BDT 8000 for garments.
- An appointment letter is given to all workers where information about their wages and others information e.g. leave, overtime calculation, increment, etc.
- Pay slip provides on time.
- Eid bonus provided for 02 festival occasion (Eid-UI-Fitre and Eid-UI-Adha) 02 times per year .
- Md. Rezuarul Karim - Senior Officer (HR & Compliance) is responsible for compliance with the Code.

**Standard/Contracted work hours:**

Legal maximum: 8 hours per day and 48 hours per week.  
 Actual at the Site: 8 hours per day and 48 hours per week.

**Overtime hours:**

Legal maximum: 2 hours per day and 12 hours per week. However an adult worker may work for more than 8 (eight) hours in a day or 48 (forty-eight) hours in a week, provided that the total hours of work of an adult worker shall not exceed 60 (sixty)hours in any week and on the average 56 (fifty-six) hours per week in any year. Exception for 6 months; Government has exempted section 100 and 102 of the Bangladesh Labour Law-2006 publishing a Gazette notification in August 2011 as per section 324 Bangladesh Labour Law-2006 for 06 months relaxing daily overtime hours. In accordance with the Clause/Condition No. – 3 of this notification, no worker shall work more than 04 hours of overtime in any day without his/her consent. This exemption has been extended in every 6 months and latest extension, it is effective from 17 October 2022 to April 16, 2023.  
 Actual at the Site: 04 hours/day, 18 hours/week & 52 hours/month in December 2022 (Current month), 04 hours/day, 18 hours/week & 54 hours/month in August 2022 (Random month), 04 hours/day, 18 hours/week & 49 hours/month in January 2022 (Random month).

**Wage for standard/contracted hours:**

Legal minimum: BDT. 8000 per month (Basic BDT 4100, House Rent 50% of the Basic which is BDT.2050, Medical Allowance BDT. 600, Conveyance Allowance BDT. 350, Food Allowance BDT. 900).  
 Actual at the Site: BDT. 8000 per month for lowest grade workers (Basic BDT 4100, House Rent 50% of the Basic which is BDT.2050, Medical Allowance BDT. 600, Conveyance Allowance BDT. 350, Food Allowance BDT. 900).

**Overtime wage: Legal minimum: Double (200%) of the basic wage rate.**

Actual at the Site: Double (200%) of the basic wage rate.

**Evidence examined:**

Documents review (i.e. Training with latest date, Internal audit with date, Policy with revision number, wages, benefit record, Pay period (December 2022, August 2022 & January 2022), management interview and workers interview).

<b>Any other comments:</b>
Nil

Summary Information			
Criteria	Local Law	Actual at the Site	Is this part of a Collective Bargaining Agreement?
Standard/Contracted work hours: (Maximum legal and actual required working hours excluding overtime, please state if possible per day, week, and month)	Legal Maximum Per Day: 8.0 Per Week: 48.0 Per Month: null	Actual Per Day: 8.0 Per Week: 48.0 Per Month: 216.0	NO
Overtime hours: (Maximum legal and actual overtime hours, please state if possible per day, week, and month)	Legal Maximum Per Day: 2.0 Per Week: 12.0 Per Month: null	Actual Per Day: 4.0 Per Week: 18.0 Per Month: 54.0	NO
Wage for standard/contracted hours: (Minimum legal and actual minimum wage at site, please state if possible per hr, day, week, and month)	Legal Maximum Per Day: null Per Week: null Per Month: 8000.0	Actual Per Day: 0.0 Per Week: 0.0 Per Month: 8000.0	NO
Overtime wage: (Minimum legal and actual minimum overtime wage at site, please state if possible per hr, day, week, and month)	Legal Maximum Per Day: null Per Week: null Per Month: null	Actual Per Day: 0.0 Per Week: 0.0 Per Month: 0.0	NO
Wages Analysis:			
Were accurate records shown at the first request?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No		
Sample Size Checked (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)	26 samples from December 2022 (Current month) 26 samples from August 2022 (Random month) 26 samples from January 2022 (Random month)		
Are there different legal minimum wage grades? If Yes, please specify all.	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No The Government has announced new pay structure, which was implemented from 1st December 2018 for the workers of the Garments Industries. The Gazette Notification has been published on 25 November 2018 and Amendment for schedule – A on 24th January 2019. There are two separate pay structures; one for the garment workers (Schedule A) and another for the staff level (Schedule B) employees: Schedule A (Production Workers such as cutter man, sewing machine operator, iron man, packer, assistant, etc.) Gross Salary BDT. 18257 per month for Grade 1 (highest) workers, Gross Salary BDT. 15416 per month for Grade 2 workers, Gross Salary BDT. 9845 per month for Grade 3 workers, Gross Salary BDT. 9347 per month for Grade 4 workers, Gross Salary BDT. 8875 per month for Grade 5 workers, Gross Salary BDT. 8420 per month for Grade 6 workers, Gross Salary BDT. 8000 per month for Grade 7 (lowest) workers; Schedule B (Non-production Service Providers such as, cleaner, security guard, loader, peon, etc.) Gross Salary BDT. 10475 per month for Grade 1 workers, Gross Salary BDT. 11300 per month for Grade 2 workers, Gross Salary BDT. 10775 per month for Grade 3 workers, Gross Salary BDT. 8375 per month for Grade 4 workers, Gross Salary BDT. 5975 per month for Probationary workers.		



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"/> Not Applicable Please give details:
For the lowest paid production workers, are wages paid for standard/contracted hours (excluding overtime) below or above the legal minimum?	<input type="checkbox"/> Below legal min <input checked="" type="checkbox"/> Meet <input type="checkbox"/> Above
Lowest actual wages found: Note: full time employees and please state hour / week / month etc.	8000/month
Please indicate the breakdown of workforce per earnings	0% of workforce earning under minimum wage 8% of workforce earning minimum wage 92% of workforce earning above minimum wage
Bonus Scheme found: Please specify details:	Bonus Scheme found:Eid bonus provided for 02 festival occasion (Eid-UI-Fitre and Eid-UI-Adha) 02 times per year. Attendance bonus- Senior Operator-500, Helper-300 BDT. Note: type of employee (e.g. full time, temp, etc.) and please state which units e.g. /hour /week /month etc.
What deductions are required by law e.g. social insurance? Please state all types:	As per section 125 of the Bangladesh Labour Law-2006, factory may deduct wages for un-authorized absence, for fines, housing facility, advance payments, loans, income tax, provident fund etc. However, factory is deducting only for un-authorized absence and revenue stamp.
Have these deductions been made?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
Please list all deductions that have been made.	1. Un-authorized absence 2. Stamp deduction
Please list all deductions that have not been made.	1. Disciplinary action (if applicable), for fines, housing facility, advance payments, loans, provident fund.
Were appropriate records available to verify hours of work and wages?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
Were any inconsistencies found? (if yes describe nature)	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
Do records reflect all time worked? (For instance, are workers asked to attend meetings before or after work but not paid for their time)	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No Please give details: Facility maintains time keeping through Punch Card as to maintain in time and out time properly.
Is there a defined living wage: This is not normally minimum legal wage. If answered yes, please state amount and source of info: Please see SMETA Best Practice Guidance and Measurement Criteria.	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No Please give details:
If yes, what was the calculation method used.	<input type="checkbox"/> ISEAL/Anker Benchmarks <input type="checkbox"/> Asia Floor Wage <input type="checkbox"/> Figures provided by Unions <input type="checkbox"/> Living Wage Foundation UK <input type="checkbox"/> Fair Wear Wage Ladder <input type="checkbox"/> Fairtrade Foundation <input type="checkbox"/> Other – please give details:

<p>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</p> <p>Please give details:</p> <p>Facility provides yearly increment to the workers as per legal requirement. Annual increment will rise minimum 5% or above of basic wage.</p>
<p>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>Is there evidence that equal rates are being paid for equal work:</p>	<p><input checked="" type="checkbox"/> Yes <input type="checkbox"/> No</p> <p>Please give details:</p> <p>Facility paid workers salary according to their grade defined in appointment letter. Same grade workers are paid equally, confirmed through wage record review. They have also policy on discrimination and disabled workers, make aware to the workers about equal opportunity and equal payment by training, and posted policy on the floor.</p>
<p>How are workers paid:</p>	<p><input type="checkbox"/> Cash <span style="margin-left: 200px;"><input type="checkbox"/> Cheque</span></p> <p><input checked="" type="checkbox"/> Bank Transfer <span style="margin-left: 150px;"><input type="checkbox"/> Other</span></p>

**6 - Working Hours are not Excessive**  
**[Summary of Findings]**

**6: Compliance Requirements**

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:

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:**

- Through employees' interview, confirmed that overtime is voluntary.
- All overtime is compensated at a premium rate. 200 % of the individual worker basic wage rate.
- Workers can do overtime as per their consent.
- Md. Rezuhanul Karim - Senior Officer (HR & Compliance) is responsible for compliance with the Code.
- Working day starts from Saturday to Thursday. Friday is weekly holiday. General working hours starts from 08:00 am to 05:00 pm with one-hour break which starts from 01:00 pm 02:00 pm. All workers of embroidery have 02 shifts which are started from 08:00 am to 05:00 pm and 09:00 pm to 06:00 am including 01 hour resting break.
- Facility workers were found working from 03.12.2022 to 15.12.2022, from 06.08.2022 to 14.08.2022 & from 22.01.2022 to 31.01.2022, from which weekly holiday on 09.12.2022 & 12.08.2022 has been adjusted with the leave of Eid-UI-Azha and 28.01.2022 has been adjusted with the leave of Eid-UI-Fitre after discussion with the trade union members and it is also allowed in the local laws.

**Overtime hours:**

Legal maximum: 2 hours per day and 12 hours per week. However an adult worker may work for more than 8 (eight) hours in a day or 48 (forty-eight) hours in a week, provided that the total hours of work of an adult worker shall not exceed 60 (sixty) hours in any week and on the average 56 (fifty-six) hours per week in any year. Exception for 6 months; Government has exempted section 100 and 102 of the Bangladesh Labour Law-2006 publishing a Gazette notification in August 2011 as per section 324 Bangladesh Labour Law-2006 for 06 months relaxing daily overtime hours. In accordance with the Clause/Condition No. – 3 of this notification, no worker shall work more than 04 hours of overtime in any day without his/her consent. This exemption has been extended in every 6 months and latest extension, it is effective from 17 October 2022 to April 16, 2023. Actual at the Site: 04 hours/day, 18 hours/week & 52 hours/month in December 2022 (Current month), 04 hours/day, 18 hours/week & 54 hours/month in August 2022 (Random month), 04 hours/day, 18 hours/week & 49 hours/month in January 2022 (Random month).

**Evidence examined:**

Documents review (i.e. Training with latest date, Internal audit with date, Policy with revision number, wages, benefit record, Pay period (December 2022, August 2022 & January 2022), management interview and workers interview).

**Any other comments:**

Nil

Working hours' analysis	
<b>Systems &amp; Processes</b>	
What timekeeping systems are used?	Facility maintains punch card system to keep the workers' working time record.
Is sample size same as in wages section?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No Please give details:
Are standard/contracted working hours defined in all contracts/employment agreements? (If no, please give details including % and which type of workers do NOT have standard hours defined in contracts/employment agreements.)	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
Are there any other types of contracts/employment agreements used?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
Do any standard/contracted working hours defined in contracts/employment agreements exceed 48 hours per week? (If yes, please detail hours, %, types of workers affected and frequency.)	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
Are workers provided with at least 1 day off in every 7-day-period, or 2 in 14-day-period?	<input type="checkbox"/> 1 in 7 days <input type="checkbox"/> 2 in 14 days <input checked="" type="checkbox"/> No (please explain)
Please give details	Facility ensure one day off within 7 days working period usually but during audit within the sampled months few exceptions was noticed. Facility workers were found working from 03.12.2022 to 15.12.2022, from 06.08.2022 to 14.08.2022 & from 22.01.2022 to 31.01.2022, from which weekly holiday on 09.12.2022 & 12.08.2022 has been adjusted with the leave of Eid-UI-Azha and 28.01.2022 has been adjusted with the leave of Eid-UI-Fitre after discussion with the trade union members and it is also allowed in the local laws.
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):	13
Standard/Contracted Hours worked	
Were standard working hours over 48 hours per week found? (If yes, % of workers & frequency)	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No % of workers: null% Frequency:
Any local waivers/local law or permissions which allow averaging/annualised hours for this site? (If yes, please give details.)	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No Exception for 6 months; Government has exempted section 100 and 102 of the Bangladesh Labour Law-2006 publishing a Gazette notification in August 2011 as per section 324 Bangladesh Labour Law-2006 for 06 months relaxing daily overtime hours. In accordance with the Clause/Condition No. – 3 of this notification, no worker shall work more than 04 hours of overtime in any day without his/her consent. This exemption has been extended in every 6 months and latest extension, it is effective from 17 October 2022 to April 16, 2023.
Overtime Hours worked	

Actual overtime hours worked in sample (State per day/week/month)	04 hours/day, 18 hours/week & 52 hours/month in December 2022 (Current month), 04 hours/day, 18 hours/week & 54 hours/month in August 2022 (Random month), 04 hours/day, 18 hours/week & 49 hours/month in January 2022 (Random month)
Combined hours (standard or contracted + overtime hours = total) over 60 found?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No  Please give details:  (48+18)=66 hours in month of December 2022 (Current month), (48+18)=66 hours in month of August 2022 (Random month), (48+18)= 66 hours in month of January 2022 (Random month)
Approximate percentage of total workers on highest overtime hours:	15%
Is overtime voluntary? (Please detail evidence e.g. Wording of contract / employment agreement / handbook / worker interviews / refusal arrangements)	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> Conflicting Information  Please give details:  It was noted through workers' interview that overtime is voluntary. Workers have option to work or not after regular working hour.
<b>Overtime premium</b>	
Are the correct legal overtime premiums paid? (Please give details of normal day overtime premium as a % of standard wages)	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A – there is no legal requirement to OT premium  Please give details:  Noted through the management interview, workers interview and document review that facility provide the overtime paid as per law. Note that as per law per hour overtime payment is equal to 200% of basic salary per hour.
Is overtime paid at a premium?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No  It was noted through employees interview and wage sheet review that the factory management provided overtime payment according to local law to all the workers of the factory. OT wage = ( Basic Salary x 2 x OT hours)/208.
If the site pays less than 125% OT premium and this is allowed under local law, are there other considerations? Please complete the boxes where relevant.	<input type="checkbox"/> No <input type="checkbox"/> Consolidated pay <input type="checkbox"/> Collective Bargaining agreements  <input checked="" type="checkbox"/> Other
Please give details	Not applicable, as factory has paid double (200%) of basic wages rate as overtime premium as per local law.
If more than 60 total hours per week and this is legally allowed, are there other considerations? Please complete the boxes where relevant. (Please explain any checked boxes above e.g. detail of consolidated pay / CBA or Other)	<input checked="" type="checkbox"/> Overtime is voluntary <input checked="" type="checkbox"/> Onsite Collective bargaining allows 60+ hours/week is voluntary <input checked="" type="checkbox"/> Safeguards are in place to protect worker's health and safety  <input checked="" type="checkbox"/> Site can demonstrate exceptional circumstances <input type="checkbox"/> Other reasons (please specify)

<p>Please explain any checked boxes above e.g. detail of consolidated pay / CBA or other</p>	<p>Few workers in security and cleaner role had worked more than the legal weekly and daily limits. However, this working time was within legally accepted waiver and agreed by the trade union members. Facility has arrangement of medical facility by registered doctor, nurse and trained first aider. All overtime work was compensated as per the legal overtime payment rates.</p>
<p>Is there evidence that overtime hours are being used for extended periods to make up for labour shortages or increased order volumes?</p>	<p><input type="checkbox"/> Yes <input checked="" type="checkbox"/> No</p>
<p>If sufficient workers cannot be hired, are new working time arrangements explored to ensure that overtime is the exception rather than the rule?</p>	<p><input type="checkbox"/> Yes <input checked="" type="checkbox"/> No</p>

Non-Compliance		Evidence
<a href="#">[Back to findings summary]</a>		
<b>Non-Compliance</b>		
Reference	ZAF600013723	
Clause	6 - Working Hours are not Excessive	
Issue Title	473 - Total hours exceed 60 hours per week - ETI requirements are not met - systemic	
Subcategory	Excessive hours	
New or carried over?	<input checked="" type="checkbox"/> New <input type="checkbox"/> Carried Over	
Root cause	<input type="checkbox"/> Training <input checked="" type="checkbox"/> System <input type="checkbox"/> Costs <input type="checkbox"/> Lack of workers <input type="checkbox"/> Other	
Root cause - Other		
ETI code	6.4 - The total hours worked in any 7-day period shall not exceed 60 hours, except where covered by clause 6.5 below.	
Explanation to the non compliance	<p>Based from provided document review (time record, payment sheet), employees and management interview it was noted that only security and cleaner of the facility had worked more than 60 hours in a week including regular and overtime hours which does not meet ETI code of conduct. Highest weekly total working hour hours found 66 hours by 4 wokrers(security &amp; cleaner) out of 26 selected sample workers form December 2022, August 222 &amp; January 2022. However, the total weekly working times was within legal limit.</p>	
Follow up method	<input checked="" type="checkbox"/> Follow up audit <input type="checkbox"/> Desktop audit	
Timescale	<input type="checkbox"/> Immediate <input type="checkbox"/> 30 days <input checked="" type="checkbox"/> 60 days <input type="checkbox"/> 90 days <input type="checkbox"/> 120 days <input type="checkbox"/> 180 days <input type="checkbox"/> 365 days <input type="checkbox"/> Other	
Actions	It is recommended that factory should control working hours within the allowable limit.	

**7 - No Discrimination is Practiced**  
**[Summary of Findings]**

**7: Compliance Requirements**

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. Both male and female get equal priority for hiring, compensation, training, promotion. For termination and retirement facility does not bias on race, caste, national region, age, disability, gender, marital status.
- The factory provides the same pay to male/female employees.
- No complaint or records found for pregnancy test during recruitment.
- The facility provides the same wage amount to male/female employees of the same rank.
- No complaint or records found for pregnancy test.
- There is no restriction for formation of trade union in the facility.
- Md. Rezuhanul Karim - Senior Officer (HR & Compliance) is responsible for compliance with the Code.

**Evidence examined:**

Documents review (i.e. Training with latest date, Internal audit with date, Policy with revision number, wage, benefit record), management interview and workers interview.

**Any other comments:**

Nil

Gender breakdown of Management + Supervisors (Include as one combined group)	Male: 100%	Female: 0%
Number of women who are in skilled or technical roles (e.g. where specific qualifications are needed i.e. machine engineer / laboratory analyst)	0	
Is there any evidence of discrimination based on race, caste, national origin, religion, age, disability, gender, marital status, sexual orientation, union membership or political affiliation?	<input type="checkbox"/> Hiring <input type="checkbox"/> Promotion	<input type="checkbox"/> Compensation <input type="checkbox"/> Termination or retirement <input checked="" type="checkbox"/> No evidence of discrimination found
Please give details	There were no discrimination found by reviewing documents, workers interview.	
<b>Professional Development</b>		
What type of training and development are available for workers?	New worker orientation training, work related health and safety training etc.	
Are HR decisions e.g. promotion, training, compensation based on objective, transparent criteria? (If no, please provide details)	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	



**8 - Regular Employment Is Provided**  
**[Summary of Findings]**

**8: Compliance Requirements**

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:**

- Facility has a proper policy and procedure for hiring people. Noted through the document review and worker interview that, workers are aware of their employment terms. During recruitment factory management, communicate with the workers about the terms of employment.
- Workers of the factory get appointment letter during recruitment where all information regarding the legal requirements with necessary information not limited to, wages, hours of work, days off and annual leave, and disciplinary procedures.
- Employment terms were found written in Bangla (Native Language) which is understood by each respective employee. In addition, Employees in the factory are classified as per the local law.
- Facility maintains nominee form in the employees' personal files to the person who can receive payment and other dues in the absence of employee.
- No migrant workers found during audit. However, there is no restriction to join to work.
- No evidence of home-working arrangements or through apprenticeship schemes observed in the site during audit.
- Md. Rezuarul Karim - Senior Officer (HR & Compliance) is responsible for compliance with the Code.

**Evidence examined:**

Documents review (i.e. personal file, appointment letter, Training with latest date, Internal audit with date, Policy with revision number), management interview and workers interview.

**Any other comments:**

Nil

**Responsible Recruitment**

**All Workers**

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	

Did workers pay any fees, taxes, deposits or bonds for the purpose of recruitment/placement? (If yes, please describe details and specific category(ies) of workers affected)	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
<b>Migrant Workers</b>	
Type of work undertaken by migrant workers:	Not applicable, as there is no migrant worker found.
Please give details about recruitment agencies for migrant workers:	Number of (in country) recruitment agencies used: 0 Number of (outside of local country) recruitment agencies used: 0
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 checked="" type="checkbox"/> No  Please give details: Not applicable, as there is no migrant worker found.
Is there any observation on this finding?	Nil
Are any migrant workers in skilled, technical or management roles? (This should include all migrant workers including permanent workers, temporary and/or seasonal workers)	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
<b>Non-employee workers</b>	
<b>Recruitment Fees</b>	
Are there any fees?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
<b>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.)</b>	
Number of agencies used (average):	0
Please provide the names of agencies if applicable	Not applicable, as there is no agency worker found.
Were agency workers' age / pay / hours included within the scope of this audit?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
Were sufficient documents for agency workers available for review?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
Is there a legal contract agreement with all agencies?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No  Please give details: Not applicable, as there is no agency worker found.
Does the site have a system for checking labour standards of agencies?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No  Please give details: Not applicable, as there is no agency worker found.
<b>Contractors (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.)</b>	
Any contractors on site?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No  Please give details: Not applicable, as there is no contractor worker found.

Do all contractor workers understand their terms of employment?

Yes  No

Please give details:

Not applicable, as there is no contractor worker found.

**8A - Sub-Contracting and Homeworking**  
**[Summary of Findings]**

**8A: Compliance Requirements**

8.A.1 There should be no sub-contracting unless previously agreed with the main client.  
8.A.2 Systems and processes should be in place to manage sub-contracting, homeworking and external processing.

**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:**

- Facility has no sub-contract facilities, based on management interview, documents review & plant tour.
- Md. Rezuhanul Karim - Senior Officer (HR & Compliance) is responsible for compliance with the Code.

**Evidence examined:**

Documents review (i.e. production record, time card), management interview, workers interview & plant tour.

**Any other comments:**

Nil

**Summary of sub-contracting – if applicable**

Is there any sub-contracting at this site?     Yes     No

**Summary of homeworking – if applicable**

Is homeworking used at this site?     Yes     No



<p>Does the site encourage its business partners (e.g. suppliers) to provide individuals and communities with access to effective grievance mechanisms (e.g. helplines or whistle blowing mechanism)</p>	<p><input checked="" type="checkbox"/> Yes <input type="checkbox"/> No Please give details:</p>
<p>Is there a published and transparent disciplinary procedure?</p>	<p><input checked="" type="checkbox"/> Yes <input type="checkbox"/> No Please give details:</p>
<p>If yes, are workers aware of these the disciplinary procedure?</p>	<p><input checked="" type="checkbox"/> Yes <input type="checkbox"/> No Please give details:</p>
<p>Does the disciplinary procedure allow for deductions from wages (fines) for disciplinary purposes (see wages section)?</p>	<p><input checked="" type="checkbox"/> Yes <input type="checkbox"/> No Please give details: Any worker found guilty of misconduct may, instead of being dismissed under sub-section (1), in consideration of any extenuating circumstances, be awarded any of the following punishments, namely: (a) Removal; (b) Reduction to a lower post, grade or scale of pay for a period not exceeding one year; (c) Stoppage of promotion for a period not exceeding one year; (d) Withholding of increment for a period not exceeding one year; (e) Fine; (f) Suspension without wages and subsistence allowance for a period not exceeding seven days; censure or warning.</p>

**10A - Entitlement to Work and Immigration**  
**[Summary of Findings]**

**10A: Compliance Requirements**

10.A.1 Only workers with a legal right to work shall be employed or used by the supplier.

10.A.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:**

- The facility established anti-harsh 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.
- Through the factory management and workers' interview, it was noted that no physical abuse or indiscipline happened in the factory.
- Factory install complaint box in workers' toilet area.
- No complaint records found regarding physical abuse or harassment.
- Md. Rezuhanul Karim - Senior Officer (HR & Compliance) is responsible for compliance with the Code.

**Evidence examined:**

Documents review (i.e. Training with latest date, Internal audit with date, Policy with revision number, procedure), management interview, workers interview and plant tour.

**Any other comments:**

Nil

**10B4 - Environment 4–Pillar**  
**[Summary of Findings]**

**10B4: Compliance Requirements**

- 10.B4.1 Businesses as a minimum must meet the requirements of local and national laws related to environmental standards.
  - 10.B4.2 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.
  - 10.B4.3 Businesses shall be aware of their end client’s environmental standards/code requirements
  - 10.B4.4 Suppliers should have an environmental policy, covering their environmental impact, which is communicated to all appropriate parties, including its own suppliers.
  - 10.B4.5 Suppliers shall be aware of the significant environmental impact of their site and its processes.
  - 10.B4.6 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).
  - 10.B4.7 Businesses shall make continuous improvements in their environmental performance.
  - 10.B4.8 Businesses shall have available for review any environmental certifications or any environmental management systems documentation
  - 10.B4.9 Businesses should have a nominated individual responsible for co–ordinating the site’s efforts to improve environmental performance.
- 10B4: Guidance for Observations**
- 10.B4.10 Suppliers should have completed the appropriate section of the SAQ and made it available to the auditor.
  - 10.B4.11 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:**

- Facility has an environmental policy which cover the all the process and comply the legal requirement.
- Factory surrounding environment found acceptable.
- Facility assessed noise level, air emission, temperature and humidity on 29th December 2022 from third party and test result was found within acceptable limit.
- Facility has conducted Environmental Impact Assessment (EIA) from third party on 14th May 2018.
- Facility has a wastage agreement with Zakir Enterprise.
- Last Environmental training conducted on 30th October 2022.
- Facility has water, energy, GHG and waste management target and plan to improve the performance.
- As the audit has been conducted on 26th January 2023, facility could not provide any environmental consumption data of the year 2023, they have provided data for 2022.

**Evidence examined:**

Documents review (i.e. License/permit with validity date Training with latest date, Internal audit with date, Policy with revision number, procedure), management interview, and workers interview and plant tour.

**Any other comments:**

Nil

**Environmental Analysis**

Is there a manager responsible for Environmental issues (Name and Position):	Mr. Manjurul Alam - Deputy Manager is responsible person to look after environmental issues of the facility.
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Has the site conducted a risk assessment on the environmental impact of the site, including implementation of controls to reduce identified risks?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No Please give details: Facility has conducted risk assessment on environment including implementation of controls to reduce identified risks.
Does the site have a recognised environmental system certification such as ISO 14000 or equivalent?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No Please give details: Factory has no recognized environmental system certification such as ISO 14000 or equivalent.
Does the site have an Environmental policy?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
If yes, is it publicly available?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
If yes, does it address the key impacts from their operations and their commitment to improvement?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No Please give details: In policy a long term strategy to continual improvement has been set.
Does the site have a Biodiversity policy?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
Is there any other sustainability systems present such as Chain of Custody, Forest Stewardship Council (FSC), Marine Stewardship Council (MSC) etc.?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No Please give details: Factory has no other sustainability systems present such as Chain of Custody, Forest Stewardship Council (FSC), Marine Stewardship Council (MSC) etc.
Have all legally required permits been shown?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No Please give details: All legally required permits are available at the premise during the audit day & shown to auditors at request.
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"/> Not Applicable Please give details: Factory has no manufacturing process related to hazardous chemicals.
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 Please give details: Facility has system to manage requirements of clients in the destination countries.
Facility has reduction targets in place for environmental aspects e.g. water consumption and discharge, waste, energy and green-house gas emissions:	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No Please give details: Facility has set a target to reduce 3% air emission, 2.5% electricity, 3% diesel, 2.5% natural gas & 4% water consumption by the end of 2022.

Facility has evidence of waste recycling and is monitoring volume of waste that is recycled.	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No Please give details: Factory does not recycle any wastes. Thus no monitoring is required.	
Does the facility have a system in place for accurately measuring and monitoring consumption of key utilities of water, energy and natural resources that follows recognised protocols or standards?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No Please give details: Facility has a system of maintaining record for water, energy and natural resources & calculate monthly basis.	
Has the facility checked that any Sub-Contracting agencies or business partners operating on the premises have the appropriate permits and licences and are conducting business in line with environmental expectations of the facility?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No Please give details: Not applicable, as facility has no sub-contract processes.	
Usage/Discharge analysis		
Criteria	Previous year: 2022	Current year: 2023
Electricity Usage: Kw/hrs	162285	0
Renewable Energy Usage: Kw/hrs	0	0
Gas Energy Usage: Kw/hrs	0	0
Has site completed any carbon Footprint Analysis?	No	No
If Yes, please state result		
Water Sources	Groundwater	Groundwater
Water Volume Used	342	0
Water Discharged	Municipal Drainage	Municipal Drainage
Water Volume Discharged	325	0
Water Volume Recycled	0	0
Total waste produced	15049 kgs	0
Total hazardous waste produced	118 kgs	0
Waste to recycling	0	0
Waste to landfill	0	0
Waste to other	Zakir Enterprise, Licensed Vendor, 15049 kgs	Zakir Enterprise, Licensed Vendor, 0 kgs
Total Product Produced	5160129 pcs	0

Non-Compliance		Evidence
<a href="#">[Back to findings summary]</a>		
<b>Non-Compliance</b>		
Reference	ZAF600013724	
Clause	10B4 - Environment 4–Pillar	
Issue Title	652 - Site does not have a biodiversity policy in place contrary to law	
Subcategory	Reforestation, Conservation & Biodiversity	
New or carried over?	<input checked="" type="checkbox"/> New <input type="checkbox"/> Carried Over	
Root cause	<input type="checkbox"/> Training <input checked="" type="checkbox"/> System <input type="checkbox"/> Costs <input type="checkbox"/> Lack of workers <input type="checkbox"/> Other	
Root cause - Other		
ETI code	10.B4.3 - Businesses shall be aware of their end client's environmental standards/code requirements	
Explanation to the non compliance	It was noted through documents review and management interview that no Biodiversity policy and other sustainability systems like Chain of Custody was not present.	
Follow up method	<input type="checkbox"/> Follow up audit <input checked="" type="checkbox"/> Desktop audit	
Timescale	<input type="checkbox"/> Immediate <input type="checkbox"/> 30 days <input checked="" type="checkbox"/> 60 days <input type="checkbox"/> 90 days <input type="checkbox"/> 120 days <input type="checkbox"/> 180 days <input type="checkbox"/> 365 days <input type="checkbox"/> Other	
Actions	It is recommended that facility management should make a policy on Biodiversity and establish a sustainable system.	

**10C - Business Ethics – 4-Pillar Audit**  
**[Summary of Findings]**

10C: Compliance Requirements  
 10.C.1 Businesses shall conduct their business ethically without bribery, corruption, or any type of fraudulent Business Practice.  
 10.C.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.  
 10.C.3 Where it is a legal requirement, businesses must be able to demonstrate that they comply with all fiscal legislative requirements.  
 10.C.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.  
 10.C.5 Businesses should have a Business Ethics policy, covering bribery, corruption, or any type of fraudulent Business Practice,  
 10.C.6 Businesses should have a designated person responsible for implementing standards concerning Business Ethics  
 10.C.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  
 10.C.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.  
 10.C.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:**

- Factory has designated person responsible for implementing standards concerning Business Ethics.
- Factory has a transparent system in place for confidentially reporting, and dealing with unethical Business Ethics without fear of reprisals towards the reporter.
- Facility establish policy of Anti-corruption. Also facility conduct risk assessment on ethical issues. In addition, facility management arrange training on anti-corruption. Last training conducted on 26th November 2022.
- Md. Rezuhanul Karim - Senior Officer (HR & Compliance) is responsible person for taking care of business ethics for the factory.

**Evidence examined:**

Plant tour, Management interview, Documents review (Anti-corruption policy, training etc.) and employees interview.

**Any other comments:**

Nil

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

Please give details:

Facility has a business ethics policy to run and improve the image of facility. This policy is communicated through policy board internally and by mail or verbally to third parties or suppliers.

<p>Does the site give training to relevant personnel (e.g. sales and logistics) on business ethics issues?</p>	<p><input checked="" type="checkbox"/> Yes <input type="checkbox"/> No</p> <p>Please give details:</p> <p>It was noted through documents review and management interview, staff e.g. sales, purchasing, logistics were getting training on ethical Business Practices as their job roles carry a higher level of risk in that area. Last training conducted on 26th November 2022.</p>
<p>Is the policy updated on a regular (as needed) basis?</p>	<p><input checked="" type="checkbox"/> Yes <input type="checkbox"/> No</p> <p>Please give details:</p> <p>Facility updates their policy as per the requirement, which was last updated 1st January 2023.</p>
<p>Does the site require third parties including suppliers to complete their own business ethics training</p>	<p><input checked="" type="checkbox"/> Yes <input type="checkbox"/> No</p> <p>Please give details:</p> <p>Facility has shared their business ethics policy to supplier. They also check and ensure that supplier provides business ethics training to their employees.</p>

## Attachments



[SMETA Audit Onsite Signed CAPR.pdf](#)



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