



# Sedex Members Ethical Trade Audit Report

**Version 6.1**



Audit Details				
Sedex Company Reference: <i>(only available on Sedex System)</i>	ZC238538073	Sedex Site Reference: <i>(only available on Sedex System)</i>	ZS291966769	
Business name (Company name):	Azim & Son (Pvt )Ltd Unit 2			
Site name:	Azim & Son (Pvt)Ltd unit2			
Site address:	Gacha Road, Fakir Market, Gazipur-1704, Bangladesh Gazipur 1704 BD	Country:	BD	
Site contact and job title:	Harun-Or-Rasid / Head of			
Site phone:	+8801730387972	Site e-mail:	harun.rasid@azimandson.com	
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:	2024-05-13			

Audit Company Name:
GSCS International Ltd

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:	Md. Anisur Rahman	APSCA Number:	21705696
Additional Auditors:	Syed Mahfuj Ul Hassan		32200295
	Md. Tanvir Hasan Khan		32200442
	Farida Parvin		21705003
	Rashedul Islam		21705517
Date of declaration:	2024-05-13		

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:	Harun-Or-Rasid
Title:	Head of
Date of declaration:	2024-05-13
Comments:	<p><i>Any exceptions to this must be recorded here (e.g. different sample size):</i>  <i>Sampled wage records from the past 5 months were provided for review (5 months only since the operation for digital thermometer just started last Sep 2020).</i>  <i>The audit took 2.0 man-days (9AM-6PM per day). Audit time was extended until 8PM due to the extent of documentation; this was agreed upon with the factory representatives</i></p>
	None

## 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	4	0	0	NC - ZAF600474994 NC - ZAF600474995 NC - ZAF600474996 NC - ZAF600474998
<a href="#">4 - Child labour shall not be used</a>			0	0	0	
<a href="#">5 - Living wages are paid</a>			0	0	1	GE - ZAF600474999
<a href="#">6 - Working hours are not excessive</a>			0	0	0	
<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.B4.2	§2	1	0	0	NC - ZAF600474997
<a href="#">10C - Business ethics 4-pillar</a>			0	0	0	

## Local Law Issues

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

S2	<p>The Environment Conservation Act 1995(amendment-2010), Section-12: Environmental Clearance Certificate.- No industrial unit or project shall be established or undertaken without obtaining, in the manner prescribed by rules, an Environmental Clearance Certificate from the Director General. In accordance with Environment Conservation Rules 1997, Rule-7 (1-d) &amp; (2), Schedule-1,d-6: (1) For the purpose of issuance of Environmental Clearance Certificate, the industrial units and projects shall, in consideration of their site and impact on the environment, be classified into the following four categories: - d) Red; 2) Industries and projects included in the various categories as specified in sub-rule (1) have been described in Schedule - 1. Schedule-1: (d-6): Power plant.</p>
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## Site Details

Site Details		
Company Name	Azim & Son (Pvt )Ltd Unit 2	
Site Name	Azim & Son (Pvt)Ltd unit2	
GPS location (if available)	GPS Address:	368 Gacha Road, Gacha, Gazipur 1704, Bangladesh.
	Coordinates:	23.93636, 90.37766
Applicable business and other legally required licence numbers and documents, for example, business license number, liability insurance, any other required government inspections	Factory License No. 14385/ Gazipur, issued by Bangladesh Government, which is valid still on 30th June, 2024. Trade License No: 001393, issued by Gazipur City Corporation, Gazipur which is valid still on 30th June, 2024. Fire License No. DD/DHAKA/33130/2023 issued by Bangladesh Fire Service & Civil Defence Authority which are valid till on 30th June, 2024. Certificate of Incorporation: C-160342/2020, life time validity Start from 15 March 2020	
Products/Activities at site, for example, garment manufacture, electricals, toys, grower, cutting, sewing, packing etc	The factory specialized in manufacturing of all kinds of woven garments. The main production process is Cutting, Sewing, Finishing & Washing.	

<p>Site description: (Include size, location, and age of site. Also, include structure and number of buildings)</p>	<p>Azim &amp; Son (Pvt)Ltd unit 2 was located at 368 Gacha Road, Gacha, Gazipur 1704, Bangladesh. The site was established in the year of 2010. This periodic audit was conducted by five auditors, assessed the factory operation based on ETI base code and Local Law requirements on a sampling basis in one day. The scope of this audit was based on 4-Pillar SMETA systems. The factory specialized in manufacturing of all kinds of woven garments. The main production process is Cutting, Sewing, Finishing &amp; washing. The total factory area was around 1,81,140.86 square feet and the production area was around 1,35,855.74 square feet. The factory has obvious peak season was June to August. Production capacity is around 3,50,000 pieces per month. In view of facilities, the factory has 16 building. Total manpower of the factory is 1,896 (Male-1018 &amp; Female-878) in the factory in which 1,588 production workers and 308 non-production workers. All workers were local. Weekend of the factory was Friday. The general working hours for all sections in the factory is operating in one shift. This shift starts from 08:00 to 17:00 with one-hour lunch break from 13:00 to 14:00. Washing section was two shift. Shift one start from 08:15 to 17:15 with one-hour lunch break from 13:00 to 14:00 and shift two start from 20:15 to 05:15 with one hour break 01:00 to 02:00. Only security has three shifts per eight hours each with roster break &amp; weekend. Auditors entered the facility at 09:19 and conducted an opening meeting with facility management according to the ETI Base Code requirements and Local Law requirements. Worker representative was present in the meeting and they assured full co-operation to this audit. Based on documents review, employees' interview and site tour, the positive and negative findings are as follows: 1. All employees were recruited directly by the factory. The all employees provided the copy of their personal ID cards, birth certificate, and educational certificate (if any) and characterize certificate to the factory before they started work. Both copy of ID cards, birth certificate, educational certificate, characterize certificate and latest individual photos are kept properly in their personnel files. 2. The emergency evacuation floor plan was posted on the wall of each floor. 3. No child labour or young worker was found during audit. 4. Neither migrant workers nor agency workers were found in the facility. 5. No forced labour, discrimination &amp; harsh or inhumane treatment were found during the audit. 6. Suggestion box was available for employees to complain or feedback their working condition. Also, they could communicate with their supervisors, top management directly and through worker representatives. 7. The factory conducted fire drill that included fire extinguishers exercise and evacuation exercise every month at production area. 8. Total 52 workers- twenty (20) individual workers and thirty-two (32)- eight group of four workers were interviewed in the confidential room. Employees' attitude was positive and polite during the audit. And employees showed the favourable attitude toward the factory via workers' interview. 9. Fire-fighting facilities were well equipped. 10. Drinking water and toilet were available and accessed easily. 11. Per payroll record review and interviews with management all workers were paid by monthly wage system. Wages were paid once a month within first 7 working days of the following pay period. All the employees' wages were paid by mobile banking (bkash). No delay of wage was identified through documents review, worker interview and management interview. Negative findings: One non-compliance was found in the area of "Management systems and code implementation", five non-compliances were found in the area of "Safety and Hygienic Conditions" and two non-compliances were found in the area</p>
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	<p>of "Environment 4-pillar" For other areas, no violations were noted. Observation : No observation was found in the any area. Good Example: One good example was found in the area of "Living Wages and Benefits". The closing meeting had been started at 17:20 and corrective action plans were discussed. A copy of the CAPR was given to Md. Harun-Or-Rashid, Head of HR &amp; Compliance. Auditors thanked for good cooperation &amp; behavior, organization and friendly working environment and left company at 17:50 on 13th May 2023.</p>
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Structure and number of buildings	<b>Building Name:</b>		Building-01	
	<b>Floor</b>	<b>Description</b>	<b>Remark</b>	
	Ground Floor	Fabric store & bonded chemical store.	Nil	
	Floor- 01	Dry process area, I-let machine area, inspection table & office room.	Nil	
	Floor- 02	Sewing section	Nil	
	Floor- 03	Sewing section	Nil	
	Floor- 04	Sewing section	Nil	
	Floor- 05	Sewing section	Nil	
	<b>Building Name:</b>		Building- 02	
	<b>Floor</b>	<b>Description</b>	<b>Remark</b>	
	Ground Floor	Generator room, sub-station room, loading unloading area, fusing section, cutting section & sub-fabric store.	Nil	
	Floor- 01	Finishing section	Nil	
	<b>Building Name:</b>		Building- 03	
	<b>Floor</b>	<b>Description</b>	<b>Remark</b>	
	Ground Floor	sub-station room, child care room & medical room.	Nil	
	Floor- 01	Office room	Nil	
	Floor- 02	Finish good area & inspection room.	Nil	
	Floor- 03	Accessories store	Nil	
	Floor- 04	Dining area	Nil	
	<b>Building Name:</b>		Building- 04	
	<b>Floor</b>	<b>Description</b>	<b>Remark</b>	
	Ground Floor	Washing area	Nil	
	Floor- 01	P.P. section	Nil	
	Floor- 02	Laser machine room	Nil	
	Floor- 03	Store area	Nil	
	Floor- 04	Cad section & dummy	Nil	
	Floor- 05	Sample cutting	Nil	
	Floor- 06	Sample sewing	Nil	

<b>Building Name:</b>		Building- 05	
<b>Floor</b>	<b>Description</b>	<b>Remark</b>	
Ground Floor	Washing area	Nil	
Floor- 01	Dry process & P.P. section	Nil	
<b>Building Name:</b>		Building- 06	
<b>Floor</b>	<b>Description</b>	<b>Remark</b>	
Ground Floor	Boiler room & compressor room.	Nil	
<b>Building Name:</b>		Building- 07	
<b>Floor</b>	<b>Description</b>	<b>Remark</b>	
Ground Floor	Rain water building	Nil	
<b>Building Name:</b>		Building- 08	
<b>Floor</b>	<b>Description</b>	<b>Remark</b>	
Ground Floor	Jute boiler room	Nil	
<b>Building Name:</b>		Building- 09	
<b>Floor</b>	<b>Description</b>	<b>Remark</b>	
Ground Floor	Jute godown	Nil	
<b>Building Name:</b>		Building- 10	
<b>Floor</b>	<b>Description</b>	<b>Remark</b>	
Ground Floor	Fire hydrant pump	Nil	
<b>Building Name:</b>		Building- 11	
<b>Floor</b>	<b>Description</b>	<b>Remark</b>	
Ground Floor	Jute boiler room	Nil	
<b>Building Name:</b>		Building- 12	
<b>Floor</b>	<b>Description</b>	<b>Remark</b>	
Ground Floor	Boiler room	Nil	
<b>Building Name:</b>		Building- 13	
<b>Floor</b>	<b>Description</b>	<b>Remark</b>	
Ground Floor	ETP	Nil	
<b>Building Name:</b>		Building- 14	
<b>Floor</b>	<b>Description</b>	<b>Remark</b>	
Ground Floor	Security room	Nil	
<b>Building Name:</b>		Building- 15	
<b>Floor</b>	<b>Description</b>	<b>Remark</b>	
Ground Floor	Gas meter room	Nil	
<b>Building Name:</b>		Building- 16	
<b>Floor</b>	<b>Description</b>	<b>Remark</b>	
Ground Floor	Generator room	Nil	

Visible structural integrity issues (large cracks) observed?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No Please give details: No cracks were observed on the day of audit.
Does the site have a structural engineer evaluation?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No Please give details: The site has a structural engineer evaluation from accord on 8 May 2023.
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	June to August
Process overview	Production Capacity: The production capacity is around 3,58,000 pieces per month. Main Product: The factory specialized in manufacturing of all kinds of woven garments. The main production process: The main production process is Cutting, Sewing, Finishing & Washing. Main Equipment: P/L (Single needle) M/C= 524 sets, Over lock M/C= 179 sets, Hool stitch M/C= 10 sets, Button stitch M/C= 10 sets, snap button M/C= 8 sets, Kunsai stitch M/C= 4 sets, Curtain eyelet M/C= 8 sets, Double feed M/C= 1 set, Vlain Stitch= 3 sets, Two needle M/C= 16 sets, Bar tack M/C= 2 sets, Tufting M/C= 19 sets, Cutting M/C= 10 sets and Comforter= 2 sets.
What form of worker representation is there on site?	<input type="checkbox"/> Union <input checked="" type="checkbox"/> Worker Committee <input type="checkbox"/> Other <input type="checkbox"/> None
Please give details:	There is no union in the facility which is not mandatory. Facility has formed PC committee through election process, election formation date on 05 March 2023.
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	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No Please give details: Not applicable as all the workers are come from local area.

Audit Parameters		
Time in and time out	Day 1	
	In	09:00
	Out	17:11
Audit type:	PERIODIC	
Was the audit announced?	SEMI_ANNOUNCED	
Was the Sedex SAQ available for review?	No	
Any conflicting information SAQ/Pre-Audit Info to Audit findings?	No	
Who signed and agreed CAPR	Harun-Or-Rasid / Head of	
Is further information available	No	

Audit attendance	Management	Worker Representatives	
	Senior management	Worker Committee representatives	Union representatives
A: Present at the opening meeting?	Yes	Yes	No
B: Present at the audit?	Yes	Yes	No
C: Present at the closing meeting?	Yes	Yes	No
<i>Reason for absence at the opening meeting</i>	There was no union present in the facility as the facility have formed a workers participation committee. As per local law if any facility has workers committee then union is not mandatory for them.		
<i>Reason for absence during the audit</i>	There was no union present in the facility as the facility have formed a workers participation committee. As per local law if any facility has workers committee then union is not mandatory for them.		
<i>Reason for absence at the closing meeting</i>	There was no union present in the facility as the facility have formed a workers participation committee. As per local law if any facility has workers committee then union is not mandatory for them.		

## 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	1018	0	0	0	0	0	0	1018
Worker numbers - female	878	0	0	0	0	0	0	878
Total	1896	0	0	0	0	0	0	1896
Number of Workers interviewed - male	28	0	0	0	0	0	0	28
Number of Workers interviewed - female	24	0	0	0	0	0	0	24
Total - interviewed sample size	52	0	0	0	0	0	0	52

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 checked="" type="checkbox"/> Yes <input type="checkbox"/> No Please give details:
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: Not applicable



Worker Interview Summary	
Were workers aware of the audit?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
Were workers aware of the code?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
Number of group interviews:	32 workers (8 groups of 4 workers)
Number of individual interviews:	Male: 11 Female: 9
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 was raised any sample workers against facility because they are happy with their working environment.
What did the workers like the most about working at this site?	Good working environment.
Any additional comment(s) regarding interviews:	Nothing to report
Attitude of workers to hours worked:	Workers were found satisfied working at the factory. No complaints against management were observed during worker interview. It was also confirmed that overtime was voluntary, no discrimination or inhumane treatment done or supported by the management.
Is there any worker survey information available?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No Please give details: The facility conducted worker survey on grievance mechanism monthly.

<p>Attitude of workers:</p> <p>The factory allowed the auditors from GSCS International Ltd to conduct confidential worker interviews. The workers were chosen freely without any influence by the factory management: 52 workers (08 groups of 04 workers and 20 individuals) were randomly selected by auditor from different sections for interview. The workers showed a cooperative attitude during the interview process. Based on workers interview, they expressed their positive attitude to the management and payment system. All workers were satisfied with working conditions and benefits. The effective evidences were collected by workers interview; the following information was summarized: 1. Workers said that they were not required to lodge “deposits” or their identity cards at the recruitment and were free to leave or resign after reasonable notice. 2. All interviewees reflected that workers could complain to management or worker committee representatives directly or by writing letters through suggestion box and all interviewed workers were aware of worker representatives. 3. All workers stated that the factory provided induction training for new workers and regular safety training for all workers. Workers said they had participated in fire drills at the production area every month. 4. All interviewees confirmed that the factory had checked their ID cards or birth certificate to verify their ages. They never seen or heard any child labour less than 18 years old employed in this factory. 5. All interviewed workers said that they were paid by monthly wage system. Wages were paid once a month within first 07 working days of the following pay period. All the employees’ wages were paid by bKash. No delay of wage was identified through worker interview and management interview. 6. All workers were local. Weekend of the factory was Friday. The general working hours for all sections in the factory is operating in one shift. The general working hours for all sections in the factory is operating in one shift. This shift starts from 08:00 to 17:00 with one-hour lunch break from 13:00 to 14:00. Washing section was two shift. Shift one start from 08:15 to 17:15 with one-hour lunch break from 13:00 to 14:00 and shift two start from 20:15 to 05:15 with one hour break 01:00 to 02:00. Only security has three shifts per eight hours each with roster break &amp; weekend. 7. The interviewed workers said that they could obtain the job based on their working experiences and abilities. The female workers or male workers’ wages were calculated at the same for the same work based on their performance.</p>
<p>Attitude of worker’s committee/union reps:</p> <p>During Interview, worker committee representative expressed that the facility management was nice to them, they could freely express their opinions, will, advice and suggestion without any fear or concern and they could make grievance if necessary. No negative information was observed during the audit.</p>
<p>Attitude of managers:</p> <p>The management was found to be well versed with the requirements of social audit, management was very co-operative and transparent during the course of the audit. They were receptive towards findings. The management approach was found to be positive.</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:**

**Current systems:**

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

**Evidence examined:**

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

**Any other comments:**

None

Policy statement that expresses commitment to respect human rights?

Yes    No

Please give details:

The facility had posted the policy about respecting Human Rights in the policy board stated that Child labour shall not be used, Forced Labour shall not be used, no discrimination is practised, no harsh or inhumane treatment is allowed, disciplinary action taken, working hours etc.

Are the policies included in workers' manuals?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No Please give details: All 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: Please give details: Name: Md. Harun-Or-Rashid Job title: Head of HR & Compliance.
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: The facility had established a transparent system in place for confidentially reporting and dealing with human rights impacts without fear of reprisals towards the reporter by means of suggestion box, making the contact way of management in policy board and public areas in the facility.
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: The facility established an effective data privacy procedure for workers' information to protect the workers' privacy information.
<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 2.0% This year 1.0%
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])	1.0%
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 2.0% This year 2.0%

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)	1.0%	
Are accidents recorded?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No  Please give details: Factory maintains accident register regularly. Factory Doctor and Nurse are responsible positions to keep the accident records.	
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	1.0%
	This year	1.0%
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)	1.0%	
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	0.0%
	This year	0.0%
% of workers that work on average more than 48 standard hours / week in the last 6 / 12 months	6 month	0.0%
	12 month	0.0%
% of workers that work on average more than 60 total hours / week in the last 6 / 12 months	6 month	0.0%
	12 month	0.0%

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

**OB: 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:**

**Current systems:**

- Responsibility for meeting the legal and client code requirements is taken by Md. Harun-Or-Rashid Job, Head of HR & Compliance.
- The facility communicated this code of conduct to the suppliers and employees.
- The facility management is conducting internal social compliance audit regularly and take necessary corrective action based on report.
- The facility arranged mid-level management training for all mid-level management employees such as supervisors, quality in charge, production officers etc.
- The facility conducts orientation training for all new employees.
- The facility provided training to the employees on ETI base code.
- Implementation of any necessary changes is then given to the individual department heads after agreement with the facility manager.

**Evidence examined:**

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

**Any other comments:**

None

**Management Systems**

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

Yes  No

Please give details:

In the last 12 months the site has not been subjected to any fines or prosecutions for non-compliance to any regulations.

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

Yes  No

Please give details:

It was noted through documentation review, facility has policies and procedures for reduce the risk of forced labour, child labour, discrimination, harassment & abuse.

<p>If Yes, is there evidence (an indication) of effective implementation? Please give details.</p>	<p>Through documents reviewing and workers interview, the written policies (no forced labour, no child labour, non-discrimination, working hours, health &amp; safety, harassment and abuse) were communicated to the workers as much as factory mid-level management &amp; workers were informed by training via notification board and training.</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: All the managers and workers in the facility have received orientation training where standards for forced labour, child labour discrimination, harassment &amp; abuse are covered.</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: Training records were found including picture and attendance sheet.</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 checked="" type="checkbox"/> Yes <input type="checkbox"/> No</p> <p>Please give details: The site has other internationally recognised system certifications. eg; ISO 14001:2015 certificate issue date on 12 September 2023 and expired date on</p>
<p>Is there a Human Resources manager/department?</p>	<p><input checked="" type="checkbox"/> Yes <input type="checkbox"/> No</p> <p>Facility has a dedicated Human Resources department consisting of 06 members and is headed by Md. Harun-Or-Rashid Head of HR &amp; Compliance.</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: Responsibility for meeting the legal and client code requirements is taken by Md. Harun-Or-Rashid Head of 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: The factory had adopted a policy decision where by all employees of the company will be required to maintain confidentiality with regard to the affairs of the company &amp; it's greater.</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: The facility has an effective procedure to keep the information confidential.</p>
<p>Are risk assessments conducted to evaluate policy and procedure effectiveness?</p>	<p><input checked="" type="checkbox"/> Yes <input type="checkbox"/> No</p> <p>Please give details: Facility conducted risk assessment evaluates effectiveness of every policy and procedure department wise.</p>

<p>Does the facility have a process to address issues found when conducting risk assessments, including implementation of controls to reduce identified risks?</p>	<p><input checked="" type="checkbox"/> Yes <input type="checkbox"/> No</p> <p>Please give details:</p> <p>The facility has an internal system to raise the issue found the risk assessment and to implement the way of reduction it.</p>
<p>Does the facility have a policy/code which require labour standards of its own suppliers?</p>	<p><input checked="" type="checkbox"/> Yes <input type="checkbox"/> No</p> <p>Please give details:</p> <p>The facility established a policy/code which requires labour standards of its own suppliers.</p>
<p><b>Land Rights</b></p>	
<p>Does the site have all required land rights licenses and permissions (see SMETA Measurement Criteria)?</p>	<p><input checked="" type="checkbox"/> Yes <input type="checkbox"/> No</p> <p>Please give details:</p> <p>The site has all required land rights licenses and permissions.</p>
<p>Does the site have systems in place to conduct legal due diligence to recognize and apply national laws and practices relating to land title?</p>	<p><input checked="" type="checkbox"/> Yes <input type="checkbox"/> No</p> <p>Please give details:</p> <p>The facility has anti- corruption committee, anti-bribery policy to support due diligence in applying national laws and practices relating to land title.</p>
<p>Does the site have a written policy and procedures specific to land rights?</p>	<p><input checked="" type="checkbox"/> Yes <input type="checkbox"/> No</p> <p>Please give details:</p> <p>Not Applicable</p>
<p>Is there evidence that facility/site compensated the owner/lessor for the land prior to the facility being built or expanded?</p>	<p><input checked="" type="checkbox"/> Yes <input type="checkbox"/> No</p> <p>Please give details:</p> <p>The site has all required land rights licenses and permissions.</p>
<p>Does the facility demonstrate that alternatives to a specific land acquisition were considered to avoid or minimize adverse impacts?</p>	<p><input type="checkbox"/> Yes <input checked="" type="checkbox"/> No</p> <p>Please give details:</p> <p>The facility land is owned by facility owner.</p>
<p>Is there any evidence of illegal appropriation of land for facility building or expansion of footprint?</p>	<p><input type="checkbox"/> Yes <input checked="" type="checkbox"/> No</p> <p>Please give details:</p> <p>It was noted through land agreement review and management interview that the facility did not go through illegal appropriation of land for facility building.</p>



**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:**

**Current systems:**

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

**Evidence examined:**

**Details:**

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

**Any other comments:**

None

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: Facility has a policy mentioning workers are free to terminate employment from the facility with '02 months' notice period.

<p>If any part of the business is UK based or registered there &amp; has a turnover over £36m, is there a published a 'modern day slavery statement?</p>	<p><input type="checkbox"/> Yes <input type="checkbox"/> No <input checked="" type="checkbox"/> Not Applicable</p> <p>Please give details:</p> <p>The facility did not have any business part with UK which across £36m turnover annually.</p>
<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>No evidence of any restrictions on workers' freedoms to leave the site at the end of the workday.</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>The facility established a policy about forbidden of forced / trafficked / bonded labour and implemented strict management system to control the risk of forced / trafficked / bonded labour in its supply chain. The facility sent agreement of commitment to its suppliers and operated social responsibility audit on suppliers to control the risk of forced / trafficked / bonded labour in its supply chain.</p>
<p>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>Factory had provided training and awareness session to all employees to reduce the risk of forced / trafficked labour.</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:**

- All the employees are allowed to form or join the trade union of their choice.
- There is no trade union in the facility but there is a Participation Committee formed by election according with Bangladesh labour law and rules.
- Meeting minutes are posted in notice board and recorded in a register.
- There are 12 members from workers' side and 06 from management side with a total of 18 members.
- PC members are not treated less favorably than other workers.
- PC members are allowed to carry out their duties within working hours without affecting their pay.

**Evidence examined:**

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

**Any other comments:**

none

What form of worker representation/union is there on site? (Please add the name of the union or committee in the textbox)	<input type="checkbox"/> Union <input type="checkbox"/> Other	<input checked="" type="checkbox"/> Worker Committee <input type="checkbox"/> None
Other details:	Worker Participation Committee	
Is it a legal requirement to have a union?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	
Is it a legal requirement to have a worker's committee?	<input checked="" type="checkbox"/> Yes <input 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 factory management has provided complain box in the toilet area through which workers can raise their suggestion / complaints. Workers can also approach the management directly for any grievances which confirmed the interviewed workers.	
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: The PC members are able to perform their responsibility without any management intervention, though the factory had formed participation committee by election process.
Name of union and union representative, if applicable:	Not Applicable
Is there evidence of free elections?	<input type="checkbox"/> Yes <input type="checkbox"/> No <input checked="" type="checkbox"/> Not Applicable
If there is no union, is there a parallel means of consultation with workers e.g. worker committees?	Worker Participation Committee
Is there evidence of free elections?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <input 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 are well aware of their representatives.
Were worker representatives freely elected?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
Date of last election:	2023-05-03
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.	12 worker representatives were elected by the workers among the workers to represent each section of the facility. The last communication meeting was held on 16 may, 2024 with topic of discussion about new wages gazette & grading related matter and making good working environment etc. Meeting minutes was shared with all workers through posting the meeting minutes on communication 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:**

**1. General Health and Safety Management**

- Razon Chandra Das, Officer (Fire & Safety) looks after Health & Safety issues for the site.
- Potable water was not freely available in all areas.
- Sufficient clean toilets 130 (70 for male and 60 for female) segregated by gender were always available for workers.
- Ventilation, temperature and lighting were adequate for the production processes.
- Meeting minutes show that a Health and Safety meeting was held once every 3 months. The last meeting was held on 19.03.2024.

**2. Fire Safety**

- Sufficient assembly area was found in front of the facility building.
- Firefighting equipment was equipped in the factory.
- Facility had 366 first aider, Fire Fighter and rescuer certified from Fire Service and Civil Defense who can assist in emergency situation.

**3. Fire Drill information:** Fire drill was conducted on 07.05.2024 by Fire Service and Civil Defense and 1851 workers participated on that drill.

**4. Facility provides bellow training to employees by HR department and factory manager:**

- Internal training on HSE policy on 05.05.2024
- First aid training for first aid team on 04.05.2024
- Environmental training on 19.02.2024
- PPE training on 06.05.2024

**5. Electrical, Machine & Fire Safety**

- Facility checks all electric channels, distribution board and electric connection daily.
- Facility also provide Lock out Tag out training to all electricians.

**6. Medical Services**

- There were 26 first aid boxes in the facility.
- Facility has appointed 1 doctor and 1 nurse and 2 medical assistants who are available in working time of the facility. They also arranged monthly first aid training with first aiders.
- Facility has a medical room.
- Facility has a first aider team of 135 members and sign a medical service contract with a nearest hospital which is valid from 12.6.2023- 12.6.2026

**7. Dormitory**


There is no dormitory facility for the workers inside & outside the factory.

**Evidence examined:**


1. License review (Fire license, machines) 2. Building layout 3. Drinking water test report 4. Injury record and analysis report 5. Risk assessment report 6. Training record (Fire training, First aid training, PPE training and Health and safety training etc.) 7. Fire drill record 8. Health and safety committee record 9. Fire equipment and electric equipment checking record
<b>Any other comments:</b>
None

Does the facility have general and occupational Health & Safety policies and procedures that are fit for purpose and are these communicated to workers?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No Please give details: The health and Safety policies and procedure are established. Training on HSE policy was conducted on 05.05.2024.
Are the policies included in workers' manuals?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No Please give details: The policies were included in workers' instruction/regulation.
Are there any structural additions without required permits/inspections (e.g. floors added)?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No Please give details: There is no structural addition was noted. They had building approval from Department of Inspection for Factories and Establishments (DIFE) for every building.
Are visitors to the site informed on H&S and provided with personal protective equipment?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No Please give details: The site provided PPE for visitors. While any visitor visits in the factory generally, they brief the visitor about H&S policy and provide PPE when being required.
Is a medical room or medical facility provided for workers?(This section is to list evidence to support system description (Documents examined & relevant comments. Include renewal/expiry date where appropriate))	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No Please give details: The facility had a medical room dedicated for workers which meet all the legal requirements. Facility has appointed 1 doctor and 1 nurse and 2 medical assistants who are available in working time of the facility.
Is there a doctor or nurse on site or there is easy access to first aider/ trained medical aid?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No Please give details: Facility has appointed 1 doctor and 1 nurse and 2 medical assistant who are available in working time of the facility
Where the facility provides worker transport – is it fit for purpose, safe, maintained and operated by competent persons e.g. buses and other vehicles?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No Please give details: Not Applicable as the factory does not provide transport facility to their workers.



<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: Not Applicable as the factory does not provide housing facility to their workers.</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 checked="" type="checkbox"/> Yes <input type="checkbox"/> No</p> <p>Please give details: Workers risk assessment is done on a monthly basis according to the training schedule.</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: The facility meets all the legal obligations on environmental requirement including required permits for use and disposal natural resources like water, gas etc.</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: Factory did not use banned chemicals and follows the entire customer requirement on environmental standard.</p>




Non-Compliance		Evidence
<a href="#">[Back to findings summary]</a>		
<b>Non-Compliance</b>		
Status	OPEN	
Reference	ZAF600474994	
Clause	3 - Working Conditions are Safe and Hygienic	
Issue Title	209 - Not all emergency exits are properly marked and lighted	
Subcategory	Fire Safety - Fire exits	
New or carried over?	<input checked="" type="checkbox"/> New <input type="checkbox"/> Carried Over	
Root cause	<input type="checkbox"/> Training <input type="checkbox"/> System <input type="checkbox"/> Costs <input type="checkbox"/> Lack of workers <input checked="" type="checkbox"/> Other	
Root cause - Other	Lack of Monitoring	
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	It was noted during facility tour that a) 3 Emergency light was missing from the designated place mentioned in the evacuation plan. b) 20% aisles and arrow indication mark was faded in sewing section of Building 2.	
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 facility management shall ensure all the emergency light is maintained properly and all the aisles & arrow indication mark is marked in the mentioned areas.	
		 <a href="#">Aisle &amp; arrow mark indicators faded.JPG</a>



Non-Compliance		Evidence
<a href="#">[Back to findings summary]</a>		
<b>Non-Compliance</b>		
Status	OPEN	
Reference	ZAF600474995	
Clause	3 - Working Conditions are Safe and Hygienic	
Issue Title	278 - Personal Protective Equipment (PPE) provided but incidents of workers not using PPE where appropriate	
Subcategory	Personal Protective Equipment/Clothing	
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 checked="" type="checkbox"/> Other	
Root cause - Other	Lack of knowledge of health & safety	
Local law issue	In accordance with The Bangladesh Labour Rules, 2015, Rule 67 (2 & 3): 2) In addition to the arrangement of safety and health protection measures mentioned in Sub-section (1), the concerned manufacturing institute must provide necessary equipment, including safety shoes, helmets, goggles, masks, hand gloves, ear muffs, ear plugs, waist belts, aprons etc. and arrange training programs for the workers in using these materials and ensure their usage. 3) No worker can be employed in the relevant works without ensuring safety and health protection measures and the training related therewith. In addition, personal safety equipment must be preserved in accordance with Information Form-23.	 <p><u>Trolley Loaders Working without Safety Shoe.JPG</u></p>
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 floor visit, it was noted that randomly checked 06 out of 06 heavy trolley loaders found who are carrying trolley one process to another process without wearing any safety shoe while working in the cutting section & finishing section on the ground floor at building- 02.	
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 management should provide safety shoe (appropriate PPE(s) to loaders and ensure the usage of PPE(s) while these are required during works.	

Non-Compliance		Evidence
<a href="#">[Back to findings summary]</a>		
<b>Non-Compliance</b>		
Status	OPEN	
Reference	ZAF600474996	
Clause	3 - Working Conditions are Safe and Hygienic	
Issue Title	320 - Ergonomic support not given to employees adequate to their job including mats for standing, back rest for seats, other materials to support	
Subcategory	Worker Health	
New or carried over?	<input checked="" type="checkbox"/> New <input type="checkbox"/> Carried Over	
Root cause	<input type="checkbox"/> Training <input type="checkbox"/> System <input type="checkbox"/> Costs <input type="checkbox"/> Lack of workers <input checked="" type="checkbox"/> Other	
Root cause - Other	Lack of monitoring	
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	It was noted during facility tour that a) 13 sharp tool (scissor & cutter) was found in a untied condition in Sewing Section located at 2nd and 3rd floor of Building 1. b) approximately 5% needle guard was misplaced with plain machine in sewing section of Building-1.	 <a href="#">sharp tool.JPG</a>
Follow up method	<input type="checkbox"/> Follow up audit <input checked="" type="checkbox"/> Desktop audit	 <a href="#">needle guard.JPG</a>
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 shall ensure sharp tools are tied and all the needle guard in proper position for worker safety.	

Non-Compliance		Evidence
<a href="#">[Back to findings summary]</a>		
<b>Non-Compliance</b>		
Status	OPEN	
Reference	ZAF600474998	
Clause	3 - Working Conditions are Safe and Hygienic	
Issue Title	320 - Ergonomic support not given to employees adequate to their job including mats for standing, back rest for seats, other materials to support	
Subcategory	Worker Health	
New or carried over?	<input checked="" type="checkbox"/> New <input type="checkbox"/> Carried Over	
Root cause	<input type="checkbox"/> Training <input type="checkbox"/> System <input type="checkbox"/> Costs <input type="checkbox"/> Lack of workers <input checked="" type="checkbox"/> Other	
Root cause - Other	Lack of awareness	
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	It was observed during facility tour that- a) approximately 10% of the standing operators from the sewing section were not using any anti-fatigue mat while working. b) facility did not provide rubber mat under snap button machine.	
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 facility management shall ensure anti fatigue mat to all standing workers and provide a rubber mat under the snap button machine for workers safety.	
		 <p><u>Snap button mc mat missing.JPG</u></p>  <p><u>anti fatigue mat missing.JPG</u></p>  <p><u>anti fatigue mat missing (2).JPG</u></p>



**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:**

- 1. The facility has established a policy that they will never employ and use any child labour.
- 2. The facility verifies all workers' original national ID card, household certificate, educational certificate (If any) etc. at the time of recruitment and keeps the photocopies of workers' ID cards, household certificate in their personal files.
- 3. Sampling basis employees' personal files was taken for review.
  - There was no child or young employee observed in the facility.
  - The age of the youngest worker is above 19 years old when hiring.

**Evidence examined:**

- 1. Young/Child labor policy and procedure review
- 2. Personal profile review
- 3. Management interview
- 4. Worker interview
- 5. On-site observation during floor visit

**Any other comments:**

None

Legal age of employment:	14
Age of youngest worker found:	19
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)	0.0%
Are workers under 18 subject to hazardous work assignments?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No  Please give details: Not applicable. There is no workers under 18 years old working in this factory.

**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:**

Based on the New RMG Gazette Notification, the actual lowest minimum wage in the facility is BDT 12500 per month.

- Time keeping system is Finger Punch system.
- All workers are provided with written and understandable information about their employment conditions in respect to wages before they enter employment and about the particulars of their wages for the pay period concerned each time that they are paid.
- Employees are aware of their minimum wage.
- All employees were paid by Mobile banking system (Bkash).
- Wages have been recorded according to documents checked.
- According to the documents which were provided by the HR & Accounts Department and during the worker's interview, it was noted that factory provides all kinds of leave. Maternity leave is provided to the employees as per law. Moreover, employees were allowed to take 14 days' sick leave; 10 days casual leave according to law and 11 days festival leave.

**Evidence examined:**

**Details:**

1. Document review
2. Worker interview
3. Management interview
4. Local and national laws
5. Wages and benefits policy
6. Local legal minimum wage documents
7. Payroll records from May 2023 to the audit day
8. Leave records
9. Social group insurance and payment receipts from the local labour department
10. Labour contracts for all employees
11. Resignation records
12. Pay slips of all workers interviewed
13. Overtime records

**Any other comments:**

None

**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: 208.0	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: 2.0 Per Week: 12.0 Per Month: 46.0	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: 12500	Actual Per Day: 0 Per Week: 0 Per Month: 12500	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 Per Week: 0 Per Month: 0	NO
<b>Wages Analysis:</b>			
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)	52 samples for the month of April 2024 (Current month) 52 samples for the month of May 2023 (Random month) 52 samples for the month of December 2023 (Random month)		



<p>Are there different legal minimum wage grades? If Yes, please specify all.</p>	<p><input checked="" type="checkbox"/> Yes <input type="checkbox"/> No</p> <p>The Government has announced the new pay structure, which was implemented from 18th December, 2023 for the workers of the Garments Industries. For the workers (Schedule A): Grade No.1 (Monthly basic wage-Tk. 8390, House rent 50% of the basic-Tk. 4195, Medical allowance-Tk.750, Conveyance allowance-Tk.450, Food subsidy-Tk.1250, Gross Monthly Wage-Tk. 15035)/ Grade 2 (Monthly basic wage-Tk. 7882, House rent 50% of the basic-Tk. 3941, Medical allowance- Tk.750, Conveyance allowance- Tk.450, Food subsidy- Tk.1250, Gross Monthly Wage- Tk. 14273)/ Grade 3 (Monthly basic wage- Tk. 7400, House rent 50% of the basic-Tk. 3700, Medical allowance-Tk.750, Conveyance allowance- Tk.450, Food subsidy-Tk.1250, Gross Monthly Wage- Tk. 13550)/ Grade 4 (Monthly basic wage-Tk. 6700, House rent 50% of the basic-Tk. 3350, Medical allowance-Tk.750, Conveyance allowance-Tk.450, Food subsidy-Tk.1250, Gross Monthly Wage- Tk. 12500)/ Apprentice (Monthly basic wage-Tk. 4950, House rent 50% of the basic-Tk. 2475, Medical allowance-Tk.750, Conveyance allowance- Tk.450, Food subsidy-Tk.1250, Gross Monthly Wage- Tk. 9875) For the staff level (Schedule B) employees: Grade 1 (Monthly basic wage-Tk.10900, House rent 50% of the basic-Tk.5450, Medical allowance-Tk.750, Conveyance allowance- Tk.450, Food subsidy- Tk.1250, Gross Monthly Wage-Tk. 18800)/ Grade 2 (Monthly basic wage- Tk.9000, House rent 50% of the basic-Tk.4500, Medical allowance- Tk.750, Conveyance allowance-Tk.450, Food subsidy-Tk.1250, Gross Monthly Wage-Tk. 15950)/ Grade 3 (Monthly basic wage-Tk.8500, House rent 50% of the basic- Tk.4250, Medical allowance-Tk.750, Conveyance allowance- Tk.450, Food subsidy-Tk.1250, Gross Monthly Wage-Tk. 15200)/ Grade 4 (Monthly basic wage-Tk.6900, House rent 50% of the basic- Tk.3450, Medical allowance- Tk.750, Conveyance allowance- Tk.450, Food subsidy-Tk.1250, Gross Monthly Wage- Tk. 12800)/ Apprentice (Monthly basic wage-Tk.5000, House rent 50% of the basic- Tk.2500, Medical allowance-Tk.750, Conveyance allowance- Tk.450, Food subsidy- Tk.1250, Gross Monthly Wage-Tk. 9950)</p>
<p>If there are different legal minimum grades, are all workers graded and paid correctly?</p>	<p><input type="checkbox"/> Yes <input type="checkbox"/> No <input checked="" type="checkbox"/> Not Applicable</p> <p>Please give details:</p>
<p>For the lowest paid production workers, are wages paid for standard/contracted hours (excluding overtime) below or above the legal minimum?</p>	<p><input type="checkbox"/> Below legal min <input checked="" type="checkbox"/> Meet</p> <p><input checked="" type="checkbox"/> Above</p>
<p>Lowest actual wages found: Note: full time employees and please state hour / week / month etc.</p>	<p>The actual lowest minimum wage in the facility was BDT. 12500 per month. This is government declaring legal minimum wage</p>
<p>Please indicate the breakdown of workforce per earnings</p>	<p>0.0% of workforce earning under minimum wage 23.5% of workforce earning minimum wage 76.5% of workforce earning above minimum wage</p>
<p>Bonus Scheme found: Please specify details:</p>	<p>Bonus Scheme found: Bonus Scheme found: 1. Facility provides two festival bonuses during Eid- Ul- Fitr and Eid -Ul- Azha. Bonus policy is 50% of the gross salary when workers working duration more than six month and get 60% of the basic salary when workers working duration less than six but more than three month. 2. The factory provides a monthly attendance bonus BDT 500 to all workers. Note: type of employee (e.g. full time, temp, etc.) and please state which units e.g. /hour /week /month etc.</p>

What deductions are required by law e.g. social insurance? Please state all types:	As per section 125 of the Bangladesh Labour Law, 2006, Deductions from wages of a worker for absence from the place of worker under section 125(2) (b) may be made only, when he, by the terms of his employment, is required to work, but he is absent for the whole or any part there of. However, factory is deducting only for un-authorized absence.
Have these deductions been made?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
Please list all deductions that have been made.	Absent deduction in case of worker is absent as per law.
Please list all deductions that have not been made.	None
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: Factory had provided accurate and complete payroll & attendance records to the auditors for review where all working hours were recorded.
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:
Are there periodic reviews of wages? If Yes give details (include whether there is consideration to basic needs of workers plus discretionary income).	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No Please give details: Factory had provided accurate and complete payroll & attendance records to the auditors for review where all working hours were recorded.
Are workers paid in a timely manner in line with local law?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
Is there evidence that equal rates are being paid for equal work:	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No Please give details: The actual lowest minimum wage in the facility was BDT. 12500 per month. This is government declaring legal minimum wage
How are workers paid:	<input type="checkbox"/> Cash <input type="checkbox"/> Cheque <input type="checkbox"/> Bank Transfer <input checked="" type="checkbox"/> Other
If other, please explain:	Mobile Banking System (Bkash)



Good Example		Evidence
<a href="#">[Back to findings summary]</a>		
<b>Good Example</b>		
Status	OPEN	
Reference	ZAF600474999	
Clause	5 - Living Wages are Paid	
Issue Title	429 - Company provides a range of additional benefits, including: free medical care on-site, holiday and other bonuses, free library, food subsidy, free transport	
Subcategory	Benefits & Insurance	
New or carried over?	<input checked="" type="checkbox"/> New <input type="checkbox"/> Carried Over	
Explanation to the good example	Factory provides monthly attendance bonus BDT. 500 for all workers as per factory policy.	
Evidence	Payroll records review, workers and Management interview	

**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:**

In this audit, auditor had randomly selected production record, such as: In/out records, daily production reports, and crosschecked these records with payroll records and attendance records, no inconsistency was noted. In addition, through employees' interviews, no inconsistency was noted either.  
 Note: The facility performed overtime weekly 24 hours & monthly 54 hours in May 2023. However, it was confirmed through documents review, workers & management interview that the facility adjusted the 6 days with festival holiday in May 2023 & its shared with the participation committee during meeting. Also they have a weaver from the government authority regarding this.

- Through employees' interview, overtime is voluntary.
- Time keeping system is Finger Punch system.
- All overtime is compensated at a premium rate for all employees.
- The time frame of the records reviewed are as follows:

- 52 samples for the month of April 2024 (Current month)
- 52 samples for the month of May 2023 (Random month)
- 52 samples for the month of December 2023 (Random month)

According to time records and worker interview basic working hours were 8 hours per day and a max 48 hours per week. OT was 2 hours per day and maximum 12 hours per week found in three sample months. In general the employees of work for 6 days in a week (Saturday to Thursday). Friday is weekly holiday. Except Washing section the facility general working hours from 08:00 am to 5:00 pm with 60 minutes break from 1:00pm to 2:00pm. Washing section starts from 08:15 am to 5:15 pm & 08:15 pm to 5:15 am with 60 minutes break from 1:00pm to 2:00pm & 1:00am to 2:00am respectively, Only security has three shifts per eight hours each with roster schedule of break & weekend.

**Evidence examined:**

1. Employee interview.
2. Management interview.
3. Factory policy on working hours.
4. Attendance and wages May 2023 to Audit Day
5. Time keeping system is Finger Punch system.
6. Quality and production records to cross check hours.

**Any other comments:**

None

Working hours' analysis	
<b>Systems &amp; Processes</b>	
What timekeeping systems are used?	Time keeping system is Finger Punch system.
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 checked="" type="checkbox"/> 1 in 7 days <input type="checkbox"/> 2 in 14 days <input type="checkbox"/> No (please explain)
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):	6
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 type="checkbox"/> Yes <input checked="" type="checkbox"/> No
Overtime Hours worked	
Actual overtime hours worked in sample (State per day/week/month)	April 2024: 2 hours per day, 12 hours per week and 36 hours per month May 2023: 2 hours per day, 24 hours per week and 54 hours per month December 2023: 2 hours per day, 12 hours per week and 50 hours per month
Combined hours (standard or contracted + overtime hours = total) over 60 found?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No Please give details: Not Applicable
Approximate percentage of total workers on highest overtime hours:	10.0%

<p>Is overtime voluntary? (Please detail evidence e.g. Wording of contract / employment agreement / handbook / worker interviews / refusal arrangements)</p>	<p><input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> Conflicting Information</p> <p>Please give details:</p> <p>Based on the factory policy, rules and regulations, and training records, employee handbook and workers and management interview it was noted that the overtime is voluntary in this factory.</p>
<b>Overtime premium</b>	
<p>Are the correct legal overtime premiums paid? (Please give details of normal day overtime premium as a % of standard wages)</p>	<p><input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A - there is no legal requirement to OT premium</p> <p>Please give details:</p> <p>200% of basic wages as overtime rate.</p>
<p>Is overtime paid at a premium?</p>	<p><input checked="" type="checkbox"/> Yes <input type="checkbox"/> No</p> <p>100% workers receive 200% of basic wages as overtime rate every month, if they need to do overtime works.</p>
<p>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.</p>	<p><input checked="" type="checkbox"/> No <input checked="" type="checkbox"/> Consolidated pay <input type="checkbox"/> Collective Bargaining agreements</p> <p><input type="checkbox"/> Other</p>
<p>Please give details</p>	<p>Not Applicable</p>
<p>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)</p>	<p><input checked="" type="checkbox"/> Overtime is voluntary <input type="checkbox"/> Onsite Collective bargaining allows 60+ hours/week is voluntary <input type="checkbox"/> Safeguards are in place to protect worker's health and safety</p> <p><input type="checkbox"/> Site can demonstrate exceptional circumstances <input type="checkbox"/> Other reasons (please specify)</p>
<p>Please explain any checked boxes above e.g. detail of consolidated pay / CBA or other</p>	<p>Not Applicable</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>

**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 based on race, caste, national origin, religion, age, disability, gender, marital status, sexual orientation, union membership or political affiliation.

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

**Evidence examined:**

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

**Any other comments:**

None

Gender breakdown of Management + Supervisors (Include as one combined group)	Male: 95.0%	Female: 5.0%
Number of women who are in skilled or technical roles (e.g. where specific qualifications are needed i.e. machine engineer / laboratory analyst)	2	
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 type="checkbox"/> Access to training <input checked="" type="checkbox"/> No evidence of discrimination found
Please give details	As per documents review, management & works interview there is no evidence of discrimination based on race, caste, national origin, religion, age, disability, gender, marital status, sexual orientation, union membership or politics.	
<b>Professional Development</b>		



What type of training and development are available for workers?	All workers are given H&S training, Child labor, Forced Labor, Discrimination, different types of machine operation and quality assurance training.
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:**

- All employees were recruited by the factory directly.
- No labour agency was used to hire workers. No temporary worker, apprenticeship schemes or home worker was identified by the auditors.
- No subcontractors were used.
- All workers getting signed labour contract during their recruitment.
- Factory has policy to provide all kinds of compensation and benefits to the employees
- If any employees want to leave the job, he or she may leave giving 30 days' notice prior to leave as per law
- No temporary worker, apprenticeship schemes or home worker was identified by the auditor.

**Evidence examined:**

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

**Any other comments:**

None

**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 was no migrant worker in the facility.
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
Is there any observation on this finding?	Not Applicable
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 all workers were recruited by facility directly.
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
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
<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

Do all contractor workers understand their terms of employment?

Yes  No

Please give details:

Not Applicable

**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:**

- As per the facility documents review, management & workers interview and factory tour, there was no home working used by facility currently.
- As per the facility documents review, management & workers interview and factory tour, there were no sub-contractors in the facility currently.
- Auditors have verified all the records and further verified through various internal and external delivery records.

**Evidence examined:**

- 1.Management interview & Workers interview
- 2.Production capacity plan
- 3.Material in/out register
- 4.Production process of the factory
- 5.Policies and procedures

**Any other comments:**

None

**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

**9 - No Harsh or Inhumane Treatment is Allowed**  
**[Summary of Findings]**

**9: Compliance Requirements**

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

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

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

**Evidence examined:**

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

**Any other comments:**

None

Are there published, anonymous and/or open channels available for reporting any violations of Labour standards and H&S or any other grievances to a 3rd party?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No Please give details: Through direct supervisors, managers, suggestion box and workers participation committee.
If yes, are workers aware of these channels and have access? Please give details.	Workers can share their concerns with welfare officer; drop to their complaint into suggestion box and even go to the top management.
If yes, what type of mechanism is used e.g. hotline, whistle blowing mechanism, comment box etc. Please give details.	Open door policy, Suggestion box and Welfare Officer
Which of the following groups is there a grievance mechanism in place for?	<input checked="" type="checkbox"/> Worker <input type="checkbox"/> Communities <input type="checkbox"/> Suppliers <input type="checkbox"/> Other
Please provide grievance mechanism details	All workers were aware of these processes; suggestion box was known by the workers. Also, workers can share their concerns with workers' representatives; drop them complains into suggestion box and even go to the top management.
Are there any open disputes?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No Please give details:

<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 type="checkbox"/> Yes <input checked="" type="checkbox"/> No Please give details:</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:**

- As per document review, factory management representation, and workers' interview, it was observed that all workers in the factory were Bangladeshi and 100% were local workers and no permission is required for working from one district to another district.
- All workers had the proper legal rights to work in this region.
- All of them were recruited directly by the factory and no agency was involved in the factory's recruitment processes.
- No agency staff or foreign worker was used by the factory.
- There were not any deductions for items such as travel and equipment

**Evidence examined:**

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

**Any other comments:**

None



**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:**

- The factory had established an environmental policy, covering their environmental impact, which is communicated to all appropriate parties and its own suppliers.
- Main production process of the factory is Cutting, Sewing, Washing, Finishing and packing. The facility uses chemicals in production process (washing & spot lifting), machine oil for machine maintenance and diesel for generator hence provided training and Personal Protection Equipment.
- Factory management has conducted training on minimal uses of water, energy and natural resource to all employees.
- Factory management has the agreement with waste collect company for the disposal of general wastages & chemical wastage like empty chemicals drum, empty spray bottle, used wastage fabrics, poly, cartons, metals etc. Factory management is aware about the environmental impact of their business activities.

**Evidence examined:**

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

**Any other comments:**

None



**Environmental Analysis**

Is there a manager responsible for Environmental issues (Name and Position):	Md. Aliul Islam (Deputy Manager-HR & Compliance)
Has the site conducted a risk assessment on the environmental impact of the site, including implementation of controls to reduce identified risks?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No Please give details: The factory had conducted risk assessment on the environmental impact of the site, including implementation of controls to reduce identified risk.
Does the site have a recognised environmental system certification such as ISO 14000 or equivalent?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No Please give details: The factory have ISO 14001:2015 certification. Certification body: Trans Continental Certifications Pvt. Ltd. Certificate no: E-88012094005, Issue date: 12-09-2023
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: The facility had addressed the key impact of the facility and they have identified the risk of the environmental aspect. However, on the day of audit based on document review and management interview it was confirmed that the facility made a "Environmental Strategy Plan" to reduction of impact on human health with all aspect.
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: The facility had no such type of system present in the facility.
Have all legally required permits been shown?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No Please give details: Facility has all legally required permits.
Is there a documentation process to record hazardous chemicals used in the manufacturing process?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> Not Applicable Please give details: The facility use chemicals in production process (washing & spot lifting), machine oil for machine maintenance & diesel for generator.
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: On the day of audit, it was confirmed through plant tour and document review and management interview that the facility has system for managing all client's requirements and legislation in the destination countries regarding environmental and chemical issues.

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 up target for electricity and diesel use. Different types of records for energy include continuous recording and regular reviews of use and discharge of natural resources e.g., energy use.
Facility has evidence of waste recycling and is monitoring volume of waste that is recycled.	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No Please give details: The facility does recycle wastewater, and they have a monitoring system in place to measure the volume of recycled wastewater, as confirmed through record review.
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 had targets to reduce the consumption of energy and natural resources including measuring or monitoring mechanism that follows recognized protocols.
Has the facility checked that any Sub-Contracting agencies or business partners operating on the premises have the appropriate permits and licences and are conducting business in line with environmental expectations of the facility?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No Please give details: Facility kept copy of Waste collector license.

Usage/Discharge analysis		
Criteria	Previous year: 2023	Current year: 2024
Electricity Usage: Kw/hrs	1935240	581672
Renewable Energy Usage: Kw/hrs	7778	104047
Gas Energy Usage: Kw/hrs	28495215	103701
Has site completed any carbon Footprint Analysis?	No	No
If Yes, please state result		
Water Sources	Ground Water, Rainwater.	Ground Water, Rainwater
Water Volume Used	254111	69469
Water Discharged	Local drainage system	Local drainage system
Water Volume Discharged	172737	38344
Water Volume Recycled	34178	12462
Total waste produced	97660 KG	22423 KG
Total hazardous waste produced	4965 KG	692 KG
Waste to recycling	39854.13 KG	9146.60 KG
Waste to landfill	1687.53 KG	190.72 KG
Waste to other	10860 KG	0 KG
Total Product Produced	4245479 pcs	1023789 pcs



Non-Compliance		Evidence
<a href="#">[Back to findings summary]</a>		
<b>Non-Compliance</b>		
Status	OPEN	
Reference	ZAF600474997	
Clause	10B4 - Environment 4-Pillar	
Issue Title	598 - The site does not have all legally required permits for use and / or disposal of resources e.g. energy, water, air emissions, waste etc.	
Subcategory	General Environmental Permits, & Management systems	
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 checked="" type="checkbox"/> Other	
Root cause - Other	Lack of knowledge of legal requirements	
Local law issue	The Environment Conservation Act 1995(amendment-2010), Section-12: Environmental Clearance Certificate.- No industrial unit or project shall be established or undertaken without obtaining, in the manner prescribed by rules, an Environmental Clearance Certificate from the Director General. In accordance with Environment Conservation Rules 1997, Rule-7 (1-d) & (2), Schedule-1,d-6: (1) For the purpose of issuance of Environmental Clearance Certificate, the industrial units and projects shall, in consideration of their site and impact on the environment, be classified into the following four categories: - d) Red; 2) Industries and projects included in the various categories as specified in sub-rule (1) have been described in Schedule - 1. Schedule-1: (d-6): Power plant.	
ETI code	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.	
Explanation to the non compliance	It was noted that the facility Environment Clearance Certificate (ECC) for CPP (Captive Power Plant) was expired on 12 May 2024. However, the facility already applied for update license to concern authority on 23 April 2024.	
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 type="checkbox"/> 60 days <input checked="" type="checkbox"/> 90 days <input type="checkbox"/> 120 days <input type="checkbox"/> 180 days <input type="checkbox"/> <input type="checkbox"/>	
	 <p><a href="#">ECC Expired.jpg</a></p>  <p><a href="#">Applied Copy.jpg</a></p>	

	365 days	Other	
Actions	It is recommended that the facility management shall obtain the ECC for CPP (Captive Power Plant) licenses from the concerned authority as soon as possible.		

**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:**

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

**Evidence examined:**

- The company business ethics policy including Bribery Corruption
- Training records
- Worker handbook
- Reports from Anonymous email account
- Management interview
- Worker interview







**Any other comments:**

None

<p>Does the facility have a Business Ethics Policy and is the policy communicated and applied internally, externally or both, as appropriate?</p>	<p><input checked="" type="checkbox"/> Internal Policy <input checked="" type="checkbox"/> Policy for third parties including suppliers</p> <p>Please give details: The factory has a Business Ethics Policy and the policy communicated and applied both internally and externally. The both communication and application performed through training, notice board and providing policy requirement to external stake holders.</p>
<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: The site provided training records about sales and logistics member on business ethics for review.</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: Facility updates their policy regularly on every year or any other changes happen.</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: Site has conducted training on anti-corruption and bribery policy to their own supplier and employees.</p>



## Attachments

 <a href="#"><u>Training.pdf</u></a>	 <a href="#"><u>Building Description.pdf</u></a>
 <a href="#"><u>GSCSF75-Photoframe for Social (Azim &amp; Son).pdf</u></a>	 <a href="#"><u>Factory Licences 24-25.pdf</u></a>
 <a href="#"><u>signed CAPR azim and son.pdf</u></a>	 <a href="#"><u>Policy.pdf</u></a>



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