SMETA
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SMETA Corrective Action Plan Report (CAPR)

Version 7

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Audit content

(1) A SMETA audit was conducted which included some or all of labour standards, health and safety, environment and business ethics. The SMETA minimum requirements were applied and the SMETA auditor manual was followed. 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.

The audit scope includes an assessment of the Workplace Requirements and the Management Systems Assessment against the code areas below.

2-pillar audits include:

- Labour standards:
  - 0. Enabling accurate assessment
  - 1. Employment is freely chosen
  - 1.A. Responsible recruitment and entitlement to work
  - 2. Freedom of association and right to collective bargaining are respected
  - 4. Child labour shall not be used
  - 5. Legal wages are paid
  - 5.A. Living wages are paid
  - 6. Working hours are not excessive
  - 7. No discrimination is practiced
  - 8. Regular employment is provided
  - 8.A. Sub-contracting and homeworkers are used responsibly
  - 9. No harsh or inhumane treatment is allowed
- Health and safety:
  - 3. Working conditions are safe and hygienic
- Environment:
  - 10.A. Environment 2-pillar

4-pillar audits include, in addition to the above:

- Environment:
  - 10.B. Environment 4-pillar
- Business ethics:
  - 10.C. Business ethics

(2) Where appropriate, non-compliances or non-conformances were raised where either local law or the base code were not met, and recorded as non-compliances on both the audit report, CAPR and on the Sedex Platform.

(3) Any non-conformance against customer code shall not be uploaded to Sedex, but sent directly to the customer in question.

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Findings →

Audit details

Site details

Sedex site reference	ZS291966769	**Site name**	Azim & Son (Pvt)Ltd unit2
Business name	Azim & Son (Pvt)Ltd Unit 2	**Site address**	1704 Gacha Road, Fakir Market, Gazipur-1704, Bangladesh, Gazipur, BD

Audit details

Sedex company reference	ZC238538073	**Auditor company name**	URS Certification Limited
Date of audit	2025-05-05	**Audit conducted by**	Md. Hasan
Audit pillars	Labour Standards | Health and safety | Environment 4-Pillar | Business ethics		

Time in and out	Day 1	
	In	09:20
	Out	17:20
Audit type	Full initial	
Was the audit announced?	Semi announced	
Was the Sedex SAQ available for review?	No	
Who signed and agreed CAPR?	HARUN-OR-RASID / Head of HR & Compliance	
Any conflicting information SAQ/Pre-Audit Info	No	
Is further information available?	No	

Audit attendance

	Senior management	Worker representative	Union representative

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Findings →

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
Reason for absence at the opening meeting	Not Applicable. There is no obligation to join trade union and freedom of association and collective bargaining in Bangladesh. For an establishment where there is no trade union, until a trade union is formed, the workers 'representatives to the Participation Committee (PC) shall run their activities related to workers' interests in the establishment concerned and worker's representative should be elected by direct vote of workers. Participation Committee (PC) representative was present during the opening meeting.		
Reason for absence during the audit	Not Applicable. There is no obligation to join trade union and freedom of association and collective bargaining in Bangladesh. For an establishment where there is no trade union, until a trade union is formed, the workers 'representatives to the Participation Committee (PC) shall run their activities related to workers' interests in the establishment concerned and worker's representative should be elected by direct vote of workers. Participation Committee (PC) representative was present at the audit.		
Reason for absence at the closing meeting	Not Applicable. There is no obligation to join trade union and freedom of association and collective bargaining in Bangladesh. For an establishment where there is no trade union, until a trade union is formed, the workers 'representatives to the Participation Committee (PC) shall run their activities related to workers' interests in the establishment concerned and worker's representative should be elected by direct vote of workers. Participation Committee (PC) representative was present during the closing meeting.		

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SMETA declaration

Auditor team

SMETA declaration	I declare that the audit underpinning the following report was conducted in accordance with SMETA Minimum Requirements and the SMETA Auditor Manual. 1. Where appropriate non-compliances/ non-conformances were raised against the Base Code and local law and recorded as non-compliances/ non-conformances on both the audit report, CAPR and on the Sedex Platform. 2. Any non-conformance against customer code alone shall not be uploaded to Sedex, and will be shared directly with the customer in question. This report provides a summary of the findings and other applicable information found/gathered during the social audit conducted on the above date only and does not officially confirm or certify compliance with any legal regulations or industry standards. The social audit process requires that information be gathered and considered from records review, worker interviews, management interviews and visual observation. More information is gathered during the social audit process than is provided here. The audit process is a sampling exercise only and does not guarantee that the audited site prior, during or post–audit, are in full compliance with the Code being audited against. The provisions of this Code constitute minimum and not maximum standards and this Code should not be used to prevent companies from exceeding these standards. Companies applying this Code are expected to comply with national and other applicable laws and where the provisions of law and this Code address the same subject, to apply that provision which affords the greater protection. The ownership of this report remains with the party who has paid for the audit. Release permission must be provided by the owner prior to release to any third parties.		
Any exceptions to the SMETA Methodology must be recorded here (e.g. different sample size)	Nil		
Lead auditor	Md. Hasan	**APSCA Number**	21703925
Additional auditor	Jubair Ahmad	**APSCA Number**	32400496
	Md. Sheid Amin Rahul	**APSCA Number**	32200597
	Mahedi Hasan	**APSCA Number**	32400415
	Md. Ismail Hossen	**APSCA Number**	32400425
Date of declaration	2025-05-05		

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Findings →

Site representation

Declaration	I acknowledge that details from this report can change during the review process and that I will be given the opportunity to dispute the content once the review has been published.
Full name	HARUN-OR-RASID
Title	Head of HR & Compliance
Date of declaration	2025-05-05

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Findings →

Summary of findings

Code area	Workplace requirement	Area of NC	Finding
3. Working conditions are safe and hygienic	3.B Conduct risk assessments regarding the po...	Local law Base code	NC ZAF600938417
	3.H Where identified as necessary to reduce r...	Local law Base code	NC ZAF600938415
	3.K Ensure that all premises are safe and hav...	Local law Base code	NC ZAF600938419
	3.L Implement effective processes to manage f...	Local law Base code	NC ZAF600938418
	3.M Ensure all machinery is installed, mainta...	Local law Base code	NC ZAF600938416
5. Legal wages are paid	5.B Ensure that workers receive the insurance...		GE ZAF600938420

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Management systems →

Findings: non-compliances

ZAF600938417

Non-compliance Due 2025-06-23

Code area
3 Working conditions are safe and hygienic

Workplace requirement
3.B Conduct risk assessments regarding the potential hazards arising from work. The risk assessment shall be reviewed whenever processes change and at least annually considering any incidents and findings.

Issue title
152 - Health and safety risk assessment conducted, but not suitable, sufficient and/or documented

Description
Based on document review and management interviews, it was confirmed that the facility has conducted a health and safety risk assessment covering various specific areas such as cutting, sewing, finishing, fusing machines, spot removing, heat-seal machines, inspection rooms, warehouses, offices, sample section, CAD machines, loading and unloading areas, fire safety, generator operation, boiler operation, general work environment, emergency preparedness, chemicals/hazardous substances, worker protection, material handling and storage, electrical safety, first aid/medical provisions, contractor safety, dining area, childcare, canteen, and considerations for pregnant workers. However, the facility has not conducted or identified risk assessments for several critical areas, including the waste storage area, confined spaces, building structural safety, prolonged standing, and ergonomic risks.

Corrective and preventative actions
It is recommended that the facility cover its health and safety risk assessment to include all operational areas, particularly the waste storage area, confined spaces, building structural safety, ergonomic conditions, and long-standing workstations.

Local law reference
Bangladesh Rules 2015, schedule-4 (1-b): To identify professional risks and deficiencies related to health and safety as per check list prepared under this schedule and recommend to owner or authority necessary measures to remove them;

Status
Closed (2025-07-09)*

Time given to resolve
30 days

Verification method
Desktop audit

Area of non-compliance/non-conformance
Local law
Base code

* PDF generated at 12:06 (UTC) on 09 Jul 2025. View this finding on the Sedex platform for live updates and closure details.

ZAF600938415

Non-compliance Due 2025-06-23

Code area
3 Working conditions are safe and hygienic

Status
Closed (2025-07-09)*

← Findings

Management systems →

Workplace requirement
3.H Where identified as necessary to reduce residual risk, provide (without charge to workers) and ensure the use of appropriate personal protective equipment (PPE).

Issue title
278 - Personal Protective Equipment (PPE) provided but incidents of workers not using PPE where appropriate

Description
During the facility visit and interviews with both workers and management, the following non-compliances related to Personal Protective Equipment (PPE) usage were observed: a) Approximately 40% of overlock and sewing machine operators were not wearing dust masks while working on the 4th & 5th floor of production Building-1. b) 5 out of 5 trolley loaders, responsible for moving trolleys between processes in production buildings 1, 2, and 3, were not wearing safety or hard shoes while carrying trolleys.

Corrective and preventative actions
It is recommended that facility management ensures all workers wear the required PPE while working.

Local law reference
Bangladesh Labour Rules, 2015, Rule 67 (2): In addition to the arrangement of safety and health protection measures mentioned in Sub-section (1), the concerned manufacturing institute must provide necessary equipments, including safety shoes, helmets, goggles, masks, hand gloves, ear muffs, ear plugs, waist belts, aprons etc. and arrange training programs for the workers in using these materials and ensure their usage.

Evidence
Trolley loader did not wear safety shoes.jpg
Sewing machine operator did not wear dust mask.jpg
Overlock machine operator did not wear dust mask.jpg
Overlock machine operator did not wear dust mask (2).jpg

Time given to resolve
30 days

Verification method
Desktop audit

Area of non-compliance/non-conformance
Local law
Base code

* PDF generated at 12:06 (UTC) on 09 Jul 2025. View this finding on the Sedex platform for live updates and closure details.

ZAF600938419

Non-compliance Due 2025-07-23

Code area
3 Working conditions are safe and hygienic

Workplace requirement
3.K Ensure that all premises are safe and have valid safety certifications for their current layout and use. If it is currently not possible for a required license or certificate to be obtained, implement inspections by appropriate third parties to ensure building safety.

Issue title
261 - Premises require minor repairs that may affect personal safety (e.g. missing handrails)

Description
During the plant tour and management interview, it was observed that 1 out of 3 staircases in Factory Building-1 missing a secondary handrail from the 5th floor to the rooftop.

Status
Closed (2025-07-09)*

Time given to resolve
60 days

Verification method
Desktop audit

Area of non-compliance/non-conformance
Local law
Base code

← Findings

Management systems →

Corrective and preventative actions
It is recommended that the factory management should install the secondary handrail with the said staircase of the building-1.

Local law reference
Bangladesh Labour Rules, 2015, Rule 54 (5): If such staircase is made after these rules come into effect, hand rails should be attached to both sides.

Evidence
Secondary handrail was missing from 5th floor to rooftop.jpg

* PDF generated at 12:06 (UTC) on 09 Jul 2025. View this finding on the Sedex platform for live updates and closure details.

ZAF600938418

Non-compliance Due 2025-06-23

Code area
3 Working conditions are safe and hygienic

Workplace requirement
3.L Implement effective processes to manage fire safety including, but not limited to, accessible evacuation routes, a fire detection system, fire fighting/suppression equipment, training and regular drills covering all shifts and warning systems.

Issue title
175 - Workers are not given appropriate fire safety, fire prevention and/or evacuation training

Description
It was noted through workers interview that-
(a) Approximately 15% of the firefighters and rescuer were not properly aware about the types of fire extinguishers, types of fire, uses of fire equipment and his/her duties during fire.
(b) Approximately 20% of the first aiders were not well aware about first aid medicines, kits and preliminary treatment procedures.

Corrective and preventative actions
It is recommended that the facility management shall arrange firefighting, rescue and first aid trainings on regular basis to prepare them aware on firefighting requirements, rescue procedures and first aid treatment procedures in case of emergency situations.

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

Status
Closed (2025-07-09)*

Time given to resolve
30 days

Verification method
Desktop audit

Area of non-compliance/non-conformance
Local law
Base code

* PDF generated at 12:06 (UTC) on 09 Jul 2025. View this finding on the Sedex platform for live updates and closure details.

ZAF600938416

Non-compliance Due 2025-06-23

Code area
3 Working conditions are safe and hygienic

Workplace requirement
3.M Ensure all machinery is installed, maintained, and used in a safe manner.

Issue title
264 - Machines lack appropriate safety guards (e.g. eye or needle guards on sewing machines, belt/hand guards on other machines)

Description
During the plant tour, the following issues were noted in the facility: a) Approximately 30% of needle guards were found misplaced (not in correct position) on plain sewing machines located at the 4th & 5th floors of the sewing section. b) Approximately 25% of eye guards were misplaced on overlock and flatlock machines in the sewing sections of the 4th & 5th floors of production building.

Corrective and preventative actions
It is recommended that the facility ensures all machine guards are properly installed and maintained in their correct positions at all times.

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

Evidence
Needle guard was misplaced with sewing machine-2.jpg
Needle guard was misplaced with sewing machine.jpg
Eye guard was misplaced with overlock machine.jpg
Eye guard was misplaced with bartack machine.jpg

Status
Closed (2025-07-09)*

Time given to resolve
30 days

Verification method
Desktop audit

Area of non-compliance/non-conformance
Local law
Base code

* PDF generated at 12:06 (UTC) on 09 Jul 2025. View this finding on the Sedex platform for live updates and closure details.

← Findings

Management systems →

Findings: good examples

ZAF600938420

Good example

Code area
5 Legal wages are paid

Workplace requirement
5.B Ensure that workers receive the insurances and benefits (including leave entitlements) they are legally or contractually entitled to.

Description
The facility provides attendance bonus BDT. 725 to workers according to facility bonus policy.

← Findings

Management systems →

Management systems

	Policies and procedures	Resources	Communication and training	Monitoring
1. Employment is freely chosen	✓	✓	✓	✓
1.A. Responsible recruitment and entitlement to work	✓	✓	✓	✓
2. Freedom of association and right to collective bargaining are respected	✓	✓	✓	✓
3. Working conditions are safe and hygienic	ⓘ	✓	ⓘ	⚠
4. Child labour shall not be used	✓	✓	✓	✓
5. Legal wages are paid	✓	✓	✓	✓
6. Working hours are not excessive	✓	✓	✓	✓
7. No discrimination is practiced	✓	✓	✓	✓
8. Regular employment is provided	✓	✓	✓	✓

✗ Not addressed

⚠ Fundamental improvements required

ⓘ Some improvements recommended

✓ Robust management systems

← Findings

Guidance →

	Policies and procedures	Resources	Communication and training	Monitoring
8.A. Sub-contracting and homeworkers are used responsibly	✓	✓	✓	✓
9. No harsh or inhumane treatment is allowed	✓	✓	✓	✓
10.A. Environment 2-Pillar	✓	✓	✓	✓
10.C. Business ethics	✓	✓	✓	✓

✗ Not addressed

⚠ Fundamental improvements required

ⓘ Some improvements recommended

✓ Robust management systems

← Findings

Guidance →

Guidance

The Corrective Action Plan Report (CAPR) summarises the site audit findings and a corrective, and preventative action plan that both the auditor and the site manager believe is reasonable to ensure conformity with the ETI base code, local laws and additional audited requirements. After the initial audit, the form is used to re-record actions taken and to categorise the status of the non-compliances/ non-conformances.

Good practice examples should be pointed out at the closing meeting as well as discussing non-compliances/ non-conformances (NCs) and corrective actions, Collaborative Action Required (CAR) findings and the Management Systems Assessment (MSA).

Next steps:

1. The site shall request, via Sedex, that the audit body upload the audit report, NCs, CARs, MSA and good examples. If you have not already received instructions on how to do this then please visit the Sedex members' e-learning platform.
2. Sites shall action its NCs and document its progress via Sedex.
3. Once the site has effectively progressed through its actions then it shall request that the audit body verify its actions. Please visit Sedex members' e-learning platform for information on how to do this.
4. The audit body shall verify corrective actions taken by the site by either a desktop review process via the Sedex platform or by follow-up audit.
5. Some NCs that cannot be closed off by desktop review may need to be closed off via a follow-up audit charged at normal fee rates. If this is the case, then the site will be notified after its submission of documentary evidence relating to that NC. Any follow-up audit must take place within twelve months of the previous initial/periodic audit and the information from the previous audit must be available for sign off of corrective action.
6. For changes to wages and hours to be correctly verified it will normally require a follow up site visit. Auditors will generally require to see a minimum of two months wages and hours records, showing new rates in order to confirm changes (note some clients may ask for a longer period, if in doubt please check with the client).
7. The site shall develop and share with Sedex an action plan to work on CAR findings, and take actions to work on these areas as identified.
8. The site should use the MSA gradings to help to improve internal systems, focusing where their systems are weakest and the risks of harm are highest. These actions should better prepare them for future audits and help sustain compliance.

← Management systems

Management Systems Assessment (MSA)

A management system is defined as a comprehensive framework comprising of processes, policies, procedures, and tools that are strategically designed and implemented within a business to plan, organise, execute, monitor, and continuously improve its activities. Management systems are the systems that underpin how a company runs its day-to-day operations, makes decisions, and helps avoid the recurrence of common problems.

Where management systems are weak a site is at higher risk of non-compliance over time, the SMETA MSA can help sites to proactively reduce the likelihood of risks occurring. Sites should take actions commensurate with their size and resources, focusing on where their systems are weakest and the likelihood of risks is highest, based on their sector, location and workforce profile.

The MSA Grades do not result in NCs, and will not be re-assessed in follow-up audits.

For more information on management systems please refer to the Management Systems workbooks.

Collaborative Action Required

The SMETA Workplace Requirements identify certain specific issues where a site may not meet the base code, but the usual mechanisms of NC verification and closure are not appropriate, for some or all of the following reasons;

- The audited party does not have the capacity/ responsibility to close the issue without support from other relevant stakeholders, such as commercial partners/buyers.
- Remediation of the issue requires an indeterminate and possibly extended timeframe, rather than a predetermined deadline as set within the Sedex platform.
- There is a risk of adverse consequences if closure of a particular issue is not approached with due consideration and time provided for adequate risk assessment.
- Evidencing effective remediation is complex and it is outside the capacity of existing SMETA methodology to validate through evidence provided during an onsite assessment alone.

These specific WRs have a Collaborative Action Required (CAR) finding raised against them.

Collaborative Action Required findings require a different way of working from other NCs for buyer and supplier members. The activities required to close these issues may involve actions from both buyers and suppliers, as well as additional stakeholders such as third-party labour providers, impacted workers, local NGOs, and trade unions.

← Guidance

Due to the complexity of the issues and the spectrum of potential stakeholders that may need to act, CARs may need long-term closure plans, potentially spanning multiple years. To facilitate a longer-term approach and to reduce the likelihood of undue pressure on suppliers to close issues that may be out of their control, Sedex does not prescribe a closure date nor a verification methodology for these findings. Sedex encourages all its members to work collaboratively and responsibly on these issue areas, sharing responsibilities and actions as appropriate.

When developing a methodology to prioritise action on these more complex areas, Sedex recommends following a due diligence process and prioritising activities based on the most salient risks.

For Suppliers

Where CARs are raised suppliers should create an action plan for how they are going to address these areas. Sedex also recommends suppliers reach out to their buying partners to understand their expectations on these issues and start a constructive dialogue. The action plans can be uploaded on to the Sedex platform, which will change the status of the CAR finding from “open” to “in progress”. Management and assessment of action plans is encouraged as an activity between linked buyer and supplier members.

For Buyers

Where CARs are raised buyer members should prioritise resolution of these issues based on a salient risk approach. Buyers should assess their own roles and responsibilities in the closure of these findings, especially considering any increased financial costs and how these may relate to the buyers own purchasing practices. Buyers should work with suppliers to ensure that closure plans are realistic, taking a long-term approach to improvement where it is necessary, and working with multi-stakeholder initiatives, NGOs, Trade Unions and other third parties to address these issues, which may be widespread. In the interests of enabling transparency, collaboration and long-term effective remediation, the application of commercial penalty against suppliers where these issues are identified and action plans are in place is not encouraged.

For Auditors

Auditors will assess whether the CARs are met through the SMETA audit process and raise the findings where relevant. Auditors will not assess the action plans shared or provide guidance on closure methodology, due to the limitations of assessing scope and responsibilities through a supplier site assessment alone. CAR findings will be superseded and closed in periodic audits. The auditor will assess the Workplace Requirements anew and raise a CAR in following audits until there is no longer a finding to raise.

Sedex

For more information visit https://www.sedex.com

← Guidance