



Sedex Members Ethical Trade Audit Report

Version 6.1



Audit Details			
Sedex Company Reference: <i>(only available on Sedex System)</i>	ZC1052880	Sedex Site Reference: <i>(only available on Sedex System)</i>	ZS1056148
Business name (Company name):	ACS Towel Limited		
Site name:	ACS Towel Limited		
Site address:	Tetlabo Rupganj Narayanganj 1460 BD	Country:	BD
Site contact and job title:	Mr. Md. Ruhul Alam Sharif / GM. (Compliance) General Manager - Compliance		
Site phone:	+8809606500445	Site e-mail:	rasharif@acstextiles.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:	2024-03-04		

Audit Company Name:
Intertek Bangladesh

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. Tarequzzaman	APSCA Number:	21704534
Additional Auditors:	Nasrin Munny		21703703
	Md. Imran Khan		32200256
	Anis Zaman		21700677
Date of declaration:	2024-03-04		

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:	Mr. Md. Ruhul Alam Sharif
Title:	GM. (Compliance) General Manager – Compliance
Date of declaration:	2024-03-04
Comments:	<p>Any exceptions to this must be recorded here (e.g. different sample size): 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). 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</p>
	NA

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	
0A - Universal rights covering UNGP			0	0	0	
0B - Management systems and code implementation			0	0	0	
1 - Freely chosen employment			0	0	0	
2 - Freedom of association and right to collective bargaining are respected			0	0	0	
3 - Working conditions are safe and hygienic	3.1	§1	1	0	0	NC - 8e61d390-b025-4c3c-98c5-062528699b6c
4 - Child labour shall not be used			0	0	0	
5 - Living wages are paid	5.2	§2	1	0	0	NC - ded94077-afd9-4e93-ae90-efaf1adae165
6 - Working hours are not excessive			0	0	0	
7 - No discrimination is practiced			0	0	0	
8 - Regular employment is provided			0	0	0	
8A - Subcontracting and homeworking			0	0	0	
9 - No harsh or inhumane treatment is allowed			0	0	0	
10A - Entitlement to work and immigration			0	0	0	
10B2 - Environment 2-pillar			0	0	0	
10B4 - Environment 4-pillar	10.B4.2	§3	1	0	0	NC - 8092694c-d9db-4752-aaab-8759ceac6129
10C - Business ethics 4-pillar			0	0	0	

Local Law Issues

Issue	Description
§1	In accordance with 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, earmuffs, ear plugs, waist belts, aprons etc. and arrange training programs for the workers in using these materials and ensure their usage
§2	In accordance with Bangladesh Labor Law 2006, section 123, The wages of every person employed in an establishment shall be paid before the expiry of the seven working day of the wage-period in respect of which the wages are payable.
§3	In accordance with Bangladesh labour rules 2015 rules No 40 (2): Metallic objects, wastes with terrible odour, chemical wastes and medical wastes should be removed in separate boxes every day.

Site Details

Site Details		
Company Name	ACS Towel Limited	
Site Name	ACS Towel Limited	
GPS location (if available)	GPS Address:	Tetlabo, Word No-3, Parabo, Rugganj, Narayanganj, Bangladesh
	Coordinates:	Latitude: 23.7547723, Longitude: 90.5458919
Applicable business and other legally required licence numbers and documents, for example, business license number, liability insurance, any other required government inspections	Factory license: 14712/ Narayanganj 'I' category, issued by Deputy Chief Inspector General of Industries (Govt. Of the People's Republic of Bangladesh) which is valid till 30th June 2024. Fire License: DD/Dhaka/22178//2010 issued by Bangladesh Fire Service & Civil Defense Authority which is valid till 30th June 2024. Trade License: 2020-00431, issued by Tarabo Pourashava which is valid till 30th June 2024.	
Products/Activities at site, for example, garment manufacture, electricals, toys, grower, cutting, sewing, packing etc	All kind of Terry Towel.	
Site description: (Include size, location, and age of site. Also, include structure and number of buildings)	ACS Towel Ltd. is located at Tetlabo, Word No-3, Parabo, Rugganj, Narayanganj, Bangladesh. The facility has started its operation in 2007. The total land area occupied by the facility was about 1,118,554 Square feet, production area is 694,503 Square feet and warehouse area is 106,441 Square feet. The facility has another sister concern facility (ACS Textiles (Bangladesh) Ltd.) in the premises and both facilities are under same owner and management. The sister concern facility is included in scope for health and safety. Total 854 employees are working in the facility including 108 non-production workers, 636 production workers and 110 employees are from Management. Out of 854 employees, 265 are female employees and 589 are male employees. Facility consists of 08 (RCC) buildings and 02 Sheds. Details description provided as below:	

Structure and number of buildings	Building Name:		Building # 1 [Towel shed]- pre-fabricated still structure
	Floor	Description	Remark
	Basement	Yarn Store	None
	Ground floor	Warping Section, Sizing Section, Weaving Section, Dyeing & Dyeing Finishing Section, Lab Section and Flatbed Printing Section of ACS Towel Limited	Commonly use
	1st Floor	Cutting Section, stitching section, Inspection area, folding section, Packing section of ACS Towel Limited.	None
	Building Name:		Building # 2 [Medical Room, Childcare Room, Fire Control Room]-RCC
	Floor	Description	Remark
	Ground floor	Medical Center	Commonly use
	1st Floor	Childcare Room, Fire Control Room.	Commonly use
	Building Name:		Building # 3 [Canteen Building]-pre-fabricated still structure
	Floor	Description	Remark
	Ground floor	Chemical store, Work shop.	Commonly use
	1st Floor	General store, Officer's Canteen & Dining Room.	Commonly use
	2nd floor	Worker's Canteen.	Commonly use
	Building Name:		Building # 4 [Utility 02]-RCC
	Floor	Description	Remark
	Ground floor	Compressor room, Generator room, Office of technical director.	Commonly use
	1st Floor	Vacant	None
	2nd floor	Vacant	None

	Building Name:		Building # 5 [Weaving Unit 04]-RCC
	Floor	Description	Remark
	Ground floor	Chemical Store (Textiles) & Quilting Machine room (Textiles)	Used by sister concern
	1st Floor	Fabric Store (Textiles)	Used by sister concern
	2nd floor	Mending (Textiles)	Used by sister concern
	Building Name:		Building # 6 pre-fabricated still structure
	Floor	Description	Remark
	Ground floor	ETP(Common) etc.	Used by sister concern
	Building Name:		Building # 07
	Floor	Description	Remark
	Ground floor	Security Post	Commonly use
	Building Name:		Building # 08
	Floor	Description	Remark
	Ground floor	Electrical Sub-Station Room	Commonly use
	Building Name:		Shed # 01
	Floor	Description	Remark
	Ground floor	Wastage Area	Commonly use
	Building Name:		Shed # 02
Floor	Description	Remark	
Ground floor	Wastage Area	Commonly use	
Visible structural integrity issues (large cracks) observed?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No Please give details: No such cracks were found during audit.		
Does the site have a structural engineer evaluation?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No Please give details: Sites have a structural engineer evaluation, by Tarabo Pourashava on 25 March 2013. Machine lay out evaluation by Department of Inspection for Factories and Establishments (DIFE) on 25 January 2024.		

Site function	<input type="checkbox"/> Agent <input checked="" type="checkbox"/> Finished Product Supplier <input type="checkbox"/> Homeworker <input type="checkbox"/> Pack house <input type="checkbox"/> Service Provider	<input checked="" type="checkbox"/> Factory Processing/Manufacturer <input type="checkbox"/> Grower <input type="checkbox"/> Labour Provider <input type="checkbox"/> Primary Producer <input type="checkbox"/> Sub-contractor
Months of peak season		
Process overview	<p>Product manufactured: All kind of Terry Towel. Main production process: Winding, Warping, Sizing, Weaving, Dyeing, stitching, Finishing, Packing. Monthly production capacity: Around 260 tons per month. Yearly production turnover: Yearly production turnover is 15 million USD. Production Lines: NA. Machine list: Long Cutting, Long Hemming, Cross Hemming, Plain Machine, Plain Machine, Plain Machine, Plain Machine, Two Needle Machine, Two Needle Machine, Over Lock Machine, Bar Tack M/C, Button Hole M/C, Cutting Machine, Metal Detector Machine, Thread Trimer M/C, Terry Weaving Loom – Jacquard, Terry Weaving Loom – Dobby, Warping, Sectional Warping, Sizing, Mending Inspection Frame, Beam Carrier Truck, Beam Carrier Truck, Humidification Plant, Knitting Machine, Exhaust Dyeing Machine, Chemical Supply System Mpsd, Dye Stuff Dissolving System Mpsd, Finishing Line, Sample Mini Stenter, Padder Mangle, Jigger M/C, Polishing & Shearing, Rope Opener M/C, Dryer, Stenter M/C, Yarn Dyeing Machine . 500 Gm/Day, Radio Frequency Dryer Machine, Hydro Machine, Soft Winding Machine (240 Spindle), Hard Winding Machine (240 Spindle), Light Box (Dyeing Production), Light Box (Towel Stitching), Washing Machine, Gyro wash Machine, Per spirometer, Incubator (Oven), Dryer, Lg Washing M/C, Electrolux Dryer, Shaker M/C, Seven Compact Ph Meter, Auto lab Sps, Spectrophotometer, Ahiba Ir, , Crock meter, Wrap Reel, Gsm Cutter, Moisture Meter, ,Digital Ph Meter Digital Balance (Lab), Q Sun Xenon Test Chamber (B01), Calibration Radiometer, Twist Tester (Towel Weaving Lab), Yarn Strength Tester (Towel Weaving Lab), Warp Reel (Towel Weaving Lab), Gsm Cutter (Towel Weaving Lab). Chemical list: J Poval JP 18FT, Sico 52D, Tapioca Starch, Plystran KP, Acetic Acid, Bactasol PHC, Caustic Soda (Local), Cellusoft CR, Formic Acid, Powersoft 380, DLQ-1, Wetsoft 700, Terminox Ultra 50 L, ,Katamin BW 3.0, Oxalic Acid, Roshfix RF, Roshtex NC, Soda ash, Sodium Hydrosulfite, Sodium Sulphate(Gluber Salt), Terminox® Ultra 50 L,Transfix TF-24/A, Lecophore BSBB Liq, Roshwhite BBU, Roshwash SA, Kieralon XTRA, Heiq Pure TF, Wetsoft 700, Wacker SD 97, Bleaching Powder (Local), Levafix Fast Red CA gran, Novacron Brown NC, Suncion Orange P-2R, Sunfix Orange S2RN, Diresul Oxidant Bri. ES Liquid, Diresul Indi Blue RDT R Liq, Samwet BLF, Optofix EC Liq.</p>	
What form of worker representation is there on site?	<input type="checkbox"/> Union <input type="checkbox"/> Other	<input checked="" type="checkbox"/> Worker Committee <input type="checkbox"/> None
Please give details:	Participation committee	
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: No accommodation buildings in the premises

Audit Parameters		
Time in and time out	Day 1	
	In	08:46
	Out	17:00
Audit type:	PERIODIC	
Was the audit announced?	SEMI_ANNOUNCED	
Was the Sedex SAQ available for review?	Yes	
Any conflicting information SAQ/Pre-Audit Info to Audit findings?	No	
Who signed and agreed CAPR	Mr. Md. Ruhul Alam Sharif / GM. (Compliance) General Manager – Compliance	
Is further information available	No	

Audit attendance	Management	Worker Representatives	
	Senior management	Worker Committee representatives	Union representatives
A: Present at the opening meeting?	Yes	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 is no trade union in this facility, and it is not mandated by law. However, the representative of the Participation Committee was present during the opening meeting.		
<i>Reason for absence during the audit</i>	There is no trade union in this facility, and it is not mandated by law. However, the representative of the Participation Committee was present during the audit.		
<i>Reason for absence at the closing meeting</i>	There is no trade union in this facility, and it is not mandated by law. However, the representative of the Participation Committee was present during the closing meeting.		

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	480	0	0	0	0	0	0	480
Worker numbers - female	264	0	0	0	0	0	0	264
Total	744	0	0	0	0	0	0	744
Number of Workers interviewed - male	30	0	0	0	0	0	0	30
Number of Workers interviewed - female	12	0	0	0	0	0	0	12
Total - interviewed sample size	42	0	0	0	0	0	0	42

Nationalities Structure	
Nationality of Management	Bangladeshi
Please list the nationalities of all workers, with the three most common nationalities listed first.	Nationality 1: Bangladeshi approx %: 100%
Was this list completed during peak season?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No Please give details: Facility has no definite peak season.
Worker remuneration	Workers on piece rate: 14%
	Paid hourly: 0%
	Salaried: 86%
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 checked="" type="checkbox"/> Yes <input type="checkbox"/> No
Were workers aware of the code?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
Number of group interviews:	06 Groups of 05
Number of individual interviews:	Male: 08 Female: 04
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?	None
What did the workers like the most about working at this site?	Facility workplace condition was comfortable. Good relationship with facility management. Wages are paid on time, working condition is hygienic, and management are very supportive and well behaved.
Any additional comment(s) regarding interviews:	Workers were happy to work at the audited facility as they are having positive working environment and proper hygienic health and safety system.
Attitude of workers to hours worked:	Very favourable as total working hour is within their limit and overtime is fully voluntary.
Is there any worker survey information available?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No Please give details:

Attitude of workers:
The employees were generally positive about their workplace; they got on well with workers and managers. They found management team positive and approachable. The employees were assured of confidentiality, and they spoke freely of their views of the factory. All employees said they were satisfied with their employment at the factory, and they are provided wages as per their agreement. They felt free to leave this employer and understood the notice period required. The facility management treated them with respect. Employees can complain directly to their welfare officer, compliance responsible person or line manager and also felt free to give their general concerns to their management representative.
Attitude of worker's committee/union reps:
Participation committee member interviews were conducted privately in a separate place. They replied naturally regarding their responsibilities as workers committee member, and they also informed that they can easily carryout their daily job without any difficulties. Participation committee meeting are held on regular basis. They also stated that they could give suggestions on all parts of the site's practices.
Attitude of managers:
Facility management showed a positive attitude during the whole audit process. Mr. Md. Ruhul Alam Sharif, General Manager (Compliance), along with his team was present and co-operated throughout the audit process. Facility management respected audit requirements and allowed auditor(s) to take photographs of all production and non-production areas, best practices, and non-conformities. They also provided the photocopy of required documents and allowed auditors to interact with the employees confidentially. At the closing meeting, the facility management agreed with all the findings and suggested corrective actions. The factory management had a system in place to check their current practices against their client's requirements and the local law, and they took notice of the findings of the internal audit team and have a Safety committee to take care of health and safety concerns.

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:

- The facility had a policy, endorsed at the highest level, covering human rights impacts and issues, and it is communicated to all appropriate parties, including its own suppliers.
- The responsible person for implementation and monitoring is Mr. Md. Ruhul Alam Sharif- GM. (Compliance)
- The facility had identified their stakeholders and salient issues.
- 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.
- The facility communicates this code of conduct to the employees through notice board and orientation training.
- It is communicated to all appropriate parties, including suppliers through the responsible person.

Evidence examined:

- Facility code of conduct.
- All policies of facility.
- Management, employee training / meeting records

Any other comments:

None

Policy statement that expresses commitment to respect human rights?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No Please give details: The facility has a social compliance policy which is a commitment to respect human rights.
Are the policies included in workers' manuals?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No Please give details: The facility provides workers manual to the workers where all the policies and applicable govt. law are included.

<p>Does the business have a designated person responsible for implementing standards concerning Human Rights?</p>	<p><input checked="" type="checkbox"/> Yes <input type="checkbox"/> No</p> <p>Please give details:</p> <p>Please give details: The facility has a designated person who responsible for implementing standards concerning Human Rights. Name: Mr. Md. Ruhul Alam Sharif Job title: GM. (Compliance)</p>				
<p>Does the business have a transparent system in place for confidentially reporting, and dealing with human rights impacts without fear of reprisals towards the reporter?</p>	<p><input checked="" type="checkbox"/> Yes <input type="checkbox"/> No</p> <p>Please give details:</p> <p>The facility has an independent compliance team for reporting and dealing with human rights impact without fear and it is a completely transparent system.</p>				
<p>Does the grievance mechanism meet UNGP expectations? (Legitimate, Accessible, Predictable, Equitable, Transparent, Rights-compatible, a source of continuous learning and based on stakeholder engagement)</p>	<p><input checked="" type="checkbox"/> Yes <input type="checkbox"/> No</p>				
<p>Does the business demonstrate effective data privacy procedures for workers' information, which is implemented?</p>	<p><input checked="" type="checkbox"/> Yes <input type="checkbox"/> No</p> <p>Please give details:</p> <p>The facility uses software for keeping privacy of workers information. Moreover, facility has an IT policy for data safety.</p>				
<p>Measuring Workplace Impact</p>					
<p>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))</p>	<table border="1"> <tr> <td>Last year</td> <td>3.5%</td> </tr> <tr> <td>This year</td> <td>4.0%</td> </tr> </table>	Last year	3.5%	This year	4.0%
Last year	3.5%				
This year	4.0%				
<p>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])</p>	<p>4.0%</p>				
<p>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)</p>	<table border="1"> <tr> <td>Last year</td> <td>2.2%</td> </tr> <tr> <td>This year</td> <td>1.8%</td> </tr> </table>	Last year	2.2%	This year	1.8%
Last year	2.2%				
This year	1.8%				
<p>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)</p>	<p>1.8%</p>				

Are accidents recorded?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No Please give details: All the minor and major injuries are recorded in an injury register. Last injury was on 13 February 2024. Which was minor cutter injury in right hand finger by weaving machine reed.	
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	0.25%
	This year	0.25%
Quarterly (90 days) number of work related accidents and injuries per 100 workers((Number of work related accidents and injuries * 100) / Number of total workers)	0.25%	
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:

- Responsibility for meeting the legal and client code requirements is taken by Mr. Md. Ruhul Alam Sharif-GM. (Compliance).
- The facility management communicates this code of conduct (COC) to the employees through notice board and orientation training.
- The facility management is conducting internal social compliance audit regularly and take necessary corrective action based on report.
- The facility conducts orientation training for all new employees.
- Supplier communicates ETI code of conduct to their suppliers and where reasonably practicable extends the principles of this ethical code through their supply chain.
- Implementation of any necessary changes is the given to the individual department heads after agreement with the facility manager.
- Facility conducted last internal audit on 08 January 2024.

Evidence examined:

- Employee handbook.
- Facility Code of Conduct (COC).
- All policies of facility.
- Legal license (Factory, Fire, Trade)
- 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:

At the last 12 months the site has not been subjected to any fine or prosecution 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 forced labour, child labour, discrimination, harassment & abuse.

<p>If Yes, is there evidence (an indication) of effective implementation? Please give details.</p>	<p>It was noted through the management and workers interview that overtime is voluntary for all employees. No child labour was found in the facility during the facility tour and age verification certificate found in all the reviewed personal files</p>
<p>Have managers and workers received training in the standards for forced labour, child labour, discrimination, harassment & abuse?</p>	<p><input checked="" type="checkbox"/> Yes <input type="checkbox"/> No</p> <p>Please give details: All the employees in the facility have received orientation training where standards for forced labour, child labour, discrimination, harassment & 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 BSCI certification (Validity till 08 September 2025), ISO 9001:2015 certification (Validity till 05 August 2025), ISO 14001:2015 certification (Validity till 20 March 2025).</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. Ruhul Alam Sharif- GM. (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: Mr. Md. Ruhul Alam Sharif- GM. (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 facility has an IT security policy which ensures worker information is confidential.</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 key control 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 has conducted risk assessment.</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: The facility has system to raise the issue found in 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>Facility has a supplier selection policy which ensures labour standard of its own supplier.</p>
<p>Land Rights</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 facility has all the required licenses and permissions as per legal requirements.</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 type="checkbox"/> Yes <input checked="" 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 facility has ownership of the building maintaining all legal procedure and no expansion was conducted.</p>
<p>Does the facility demonstrate that alternatives to a specific land acquisition were considered to avoid or minimize adverse impacts?</p>	<p><input checked="" type="checkbox"/> Yes <input type="checkbox"/> No</p> <p>Please give details:</p> <p>The facility maintaining all legal procedure and specific land acquisition were considered to avoid or minimize adverse impacts.</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>No illegal appropriation of land for facility building or expansion of footprint.</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:

- The facility has a policy which prohibits forced labour, and this was also available for review.
- Age verification documents (National ID card copy, educational certificate, nationality certificates) 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 employees 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 employee interview.

Evidence examined:

- Facility policy and procedure
- Sample employee personal files.
- Service book
- Employee handbook
- Time record

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.
If any part of the business is UK based or registered there & has a turnover over £36m, is there a published a 'modern day slavery statement?	<input type="checkbox"/> Yes <input type="checkbox"/> No <input checked="" type="checkbox"/> Not Applicable Please give details: Yearly production turnover is 15 million USD.

<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: No there is no such restriction.</p>
<p>Does the site understand the risks of forced / trafficked / bonded labour in its supply chain</p>	<p><input type="checkbox"/> Yes <input type="checkbox"/> No <input checked="" type="checkbox"/> Not Applicable</p> <p>Please give details: Facility has established forced labour and bonded labour policy; even though they have no such type of labour.</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: The facility has policy on forced/trafficked labour to raises awareness among employees. The facility communicates it through notice board on production floor. Overtime is totally voluntary. Employees can leave their workplace freely after their respective jobs.</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 can form or join the trade union of their choice.
- There is no trade union in the facility but there is a participation committee formed by election.
- Participation committee was formed by election on 15 November 2022.
- There are 12 members in participation committee (08 members on behalf of employees and 04 members from management side) who arranges meeting in every two months interval as per legal requirement.
- Meeting minutes are posted in notice board and recorded in a register.
- Last meeting of Participation Committee was held on 22 February 2024.
- PC members are not treated less favourably than other workers and can carry out their duties within working hours without affecting their remuneration.

Evidence examined:

- Freedom of association policy review.
- Participation Committee formation records
- Participation Committee member list
- Participation Committee meeting register
- Participation Committee meeting minutes
- Participation Committee meeting attendance register.

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:	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: Facility has an effective grievance handling procedure. Workers can submit their grievance verbally or in written through welfare officer or complaint box.	
Is there evidence of free elections?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	

Does the supplier provide adequate facilities to allow the Union or committee to conduct related business?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No Please give details: Facility has a policy regarding Freedom of Association. Regular Participation Committee meeting is held, and meeting minutes are posted on notice board.
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?	Participation committee of 12 members (08 members on behalf of employees and 04 members from management side)
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: PC members name with picture are posted in the notice board.
Were worker representatives freely elected?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
Date of last election:	2022-11-15
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.	The meeting of the committee organised in every two months. Last meeting was held on 22 February 2024. The meeting minutes were posted on the notice board. The last meeting minutes were, about repairing broken tyles, friendly workplace conditions.
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:

- Md. Ruhul Alam Sharif- GM. (Compliance), as (President) looks after Health & Safety issues for the site.
- There are 08 members in Safety committee (04 members on behalf of employees and 04 members from management side) who arranges meeting in every two months interval as per legal requirement. Last meeting held on 28 January 2024.
- Potable water was freely available in all areas (Total 08 drinking Water Station) and Last test done on 08 October 2023 from Department of Public Health Engineering.
- Enough clean toilets (Male-32, Female-13) segregated by gender were always available for workers.
- Ventilation, temperature and lighting were adequate for the production processes.

2. Fire Safety:

- Enough assembly area was found in front of the facility building.
- Firefighting equipment was adequate, and checks were up to date. Facility checked all fire equipment monthly schedules wise. Fire equipment last checking was done on 24 February 2024.
- The facility management posted the evacuation plans on every production floors/shed with local language.
- Fire hose and fire alarm found active throughout the facility.
- Facility installed addressable smoke detection system in the production building.
- Facility has one responsible Fire safety officer.
- Facility has a firefighting/Emergency team of 165 members.

3. Electrical safety:

- All electrical equipment was maintained in good condition such as sockets, plugs, switches and main fuse boards.
- Facility has 13 electrician who check and do inspection, roster wise for whole facility.
- Facility checks all electric channels, distribution board and electric connection daily and monthly schedule wise.

4. Medical services:

- There were 10 First Aid Boxes with enough kits in the full facility.
- There were 55 internal first aid certified responders.
- Facility has appointed 02 Doctor who sits in the facility six days in a week and 02 nurse and 07 medical assistant who are available all the time. They also arranged monthly first aid training with first aider.
- In the medical room they have 08 beds segregated for male and female.

5. Dormitory:

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

6. Fire Drill information:

- Day (Internal) / Date: 24 January 2024/ Time took: 02 min 10 sec / Employee was present: 509/ Fire drill monitored by: Fire safety officer.
- Night (Internal) / Date: 20 February 2024/ Time took: 02 min 00 sec / Employee was present: 231/ Fire drill monitored by: Fire safety officer.
- Day (External) / Date: 13 December 2023/ Time took: 02 min 00 sec / Employee was present: 551/ Fire drill monitored by: Warehouse Inspector Fire service and Civil Defense.

7. Facility provide bellow training to employees:

- Orientation Training: Last Date of training: 24 February 2024/ Participant: 01 / Trainer Designation: Welfare officer / Frequency of training: As required.
- Fire Fighting Training (Internal): Last Date of training: 17 February 2024/ Participant: 14 / Trainer Designation: Fire safety officer/ Frequency of training: Monthly.
- Fire Fighting Training (External): Last Date of training: 27 & 28 January 2024/ Participant: 40 / Trainer Designation: Warehouse Inspector Fire service and Civil Defense/ Frequency of training: As required.
- First Aid Training: Last Date of training: 13 February 2024 / Participant: 11 / Trainer Designation: Medical Officer / Frequency of training: Monthly
- Occupational Health & Safety Training: Last Date of training: 17 February 2024/ Participant: 24 / Trainer Designation: Compliance asst. Manager / Frequency of training: Monthly.
- Mid-Level management Training: Last Date of training: 24 February 2024 / Participant: 05 / Trainer Designation: Deputy Manager - Compliance / Frequency of training: As required.
- PPE Training: Last Date of training: 22 February 2024/ Participant: 20 / Trainer Designation: Compliance Officer / Frequency of training: Monthly.
- ETI Base code Training: Last Date of training: 18 February 2024/ Participant: 21 / Trainer Designation:

Welfare officer / Frequency of training: Monthly.
 •Chemical Handling Training: Last Date of training: 22 February 2024/ Participant: 04 / Trainer Designation: Compliance officer / Frequency of training: Monthly.

Evidence examined:



- License review: Fire license
- Building approval plan
- Group insurance
- Water test report
- Injury record and analysis report
- Machine and electric maintenance record
- Risk assessment report
- Training record: Fire training, First aid training, PPE training, MSDS training, Health and safety training
- Fire drill record
- Health and safety committee record
- Electric installation checking record
- Training records and certificates
- Fire equipment maintenance records
- Fire drill records
- Accident reports
- Chemical list and MSDS for each chemical
- Health and safety policy
- Potable water testing certificates

Any other comments:

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 facility has general health & safety and Occupational health & safety policy and procedures which are fit for purposes and these policies are communicated through orientation training.
Are the policies included in workers' manuals?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No Please give details: The facility provides workers manual to the workers where all the policies and applicable govt. law are included.
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: No additional structures were found without building construction approval.
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: All the visitors to the site are informed on H&S and provided with personal protective equipment where necessary.
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 has medical facility for the employees. Equipment's are provided as per legal requirements.

<p>Is there a doctor or nurse on site or there is easy access to first aider/ trained medical aid?</p>	<p><input checked="" type="checkbox"/> Yes <input type="checkbox"/> No</p> <p>Please give details: The facility has 02 Doctor, 02 nurse and 07 medical assistant for medical treatment of the employees.</p>
<p>Where the facility provides worker transport – is it fit for purpose, safe, maintained and operated by competent persons e.g. buses and other vehicles?</p>	<p><input type="checkbox"/> Yes <input checked="" type="checkbox"/> No</p> <p>Please give details: Facility does not provide transport to the employees.</p>
<p>Is secure personal storage space provided for workers in their living space and is fit for purpose?</p>	<p><input type="checkbox"/> Yes <input checked="" type="checkbox"/> No</p> <p>Please give details: Facility has no dormitory.</p>
<p>Are H&S Risk assessments are conducted (including evaluating the arrangements for workers doing overtime e.g. driving after a long shift) and are there controls to reduce identified risk?</p>	<p><input checked="" type="checkbox"/> Yes <input type="checkbox"/> No</p> <p>Please give details: The facility conduct risk assessment on every six months and their people are in control to reduce identified risk. Last risk assessment conduct on 10 January 2024.</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 legal obligations on environmental requirements including required permits for use and disposal of natural resources like gas, water 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: The facility does not use banned chemicals and follows the entire customer requirement on environmental standard.</p>

Non-Compliance		Evidence
[Back to findings summary]		
Non-Compliance		
Status	OPEN	
Reference	8e61d390-b025-4c3c-98c5-062528699b6c	
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 checked="" 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.	
Local law issue	In accordance with 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, earmuffs, ear plugs, waist belts, aprons etc. and arrange training programs for the workers in using these materials and ensure their usage	 <u>Weaving operator is not wearing ear plug.JPG</u>
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.	 <u>Dyeing operator is not wearing respective PPE.JPG</u>
Explanation to the non compliance	Based on the floor visit, during the audit day it was noted that (a) approximately 20% workers of weaving section located on ground floor of building 1 were not using ear plug. Noted that noise level of this section found above ambient. (b) Randomly checked 02 out of 05 workers found working in dyeing section located at ground floor of building 1 were not wearing respective PPE (Goggles, respiratory mask, etc.)	
Follow up method	<input type="checkbox"/> Follow up audit <input checked="" type="checkbox"/> Desktop audit	
Timescale	<input type="checkbox"/> Immediate <input type="checkbox"/> 30 days <input checked="" type="checkbox"/> 60 days <input type="checkbox"/> 90 days <input type="checkbox"/> 120 days <input type="checkbox"/> 180 days <input type="checkbox"/>	

	365 days	Other	
Actions	It is recommended that the factory should ensure all workers are using appropriate personnel protective equipment while working.		

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

4: Compliance Requirements

- 4.1 There shall be no new recruitment of child labour.
- 4.2 Companies shall develop or participate in and contribute to policies and programmes which provide for the transition of any child found to be performing child labour to enable her or him to attend and remain in quality education until no longer a child.
- 4.3 Children and young persons under 18 shall not be employed at night or in hazardous conditions.
- 4.4 These policies and procedures shall conform to the provisions of the relevant ILO Standards.

Current Systems and Evidence Examined

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

Current Systems:

- The facility has established a practice that they will never employ and use any child labour.
- The facility verifies all workers' original national ID card, birth certificate, school certificate etc. at the time of recruitment and keeps the photocopies of workers' ID cards, birth certificate in their personal files.
- Factory verifies the workers age through registered doctors.
- Sampling basis employees' personal files was taken for review. Each employee file included a bio-data sheet, recent photo, birth registration certificate / photocopied national identification card and other documents.
- There was no child or young employee observed in the facility.

Evidence examined:

- Recruitment policy.
- Policy on No-Child labour.
- Personal file including Birth certificate, primary/secondary education certificate, National ID card etc. of sample employees.
- Age verification documents.

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 as the facility does not have any workers under the age of 18 years.

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:

- The facility is providing local legal minimum wage BDT 5710/month for all the employees.
- Time keeping system is electronic face detection system.
- All employees 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.
- All social insurance payments were passed on to the relevant authorities in a timely manner.
- Each employee was given a pay slip and signed for their wages.
- Employees are aware of their minimum wage.
- Wages have been recorded according to documents checked.
- Salary sheet and Timecards review; January 2024 (Current paid month), October 2023 (Random month) and May 2023 (Random Month)

Evidence examined:

- Salary sheet review
- Overtime payment record review
- Payslip review
- Attendance registers review
- Production record review
- Maintenance register review
- Maternity benefit register review
- Leave record review.
- Final settlement record review

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: null	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: null	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: 5710	Actual Per Day: null Per Week: null Per Month: 7000	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: null Per Week: null Per Month: null	NO
Wages Analysis:			
Were accurate records shown at the first request?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No		
Sample Size Checked (State number of worker records checked and from which weeks/months – should be current, peak, and random/low. Please see SMETA Best Practice Guidance and Measurement Criteria)	42 samples taken from January 2023 (Current payment month) 42 samples taken from October 2023 (Random month) 42 samples taken from May 2023 (Random month)		
Are there different legal minimum wage grades? If Yes, please specify all.	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No Minimum wage gazette published on 03 May 2018, SRO Number 116-Law/2018 (Textile Sector): Minimum wage of Grade 1: BDT 8977, Grade 2: BDT 8275, Grade 3: BDT 7924, Grade 4: BDT 7303, Grade 5: BDT 7033, Grade 6: BDT 6763, Grade 7: BDT 6520, Grade 8: BDT 6250, Grade 9: 6061, Grade 10: 5710.		
If there are different legal minimum grades, are all workers graded and paid correctly?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> Not Applicable Please give details:		
For the lowest paid production workers, are wages paid for standard/contracted hours (excluding overtime) below or above the legal minimum?	<input type="checkbox"/> Below legal min <input type="checkbox"/> Meet <input checked="" type="checkbox"/> Above		
Lowest actual wages found: Note: full time employees and please state hour / week / month etc.	7000 BDT		
Please indicate the breakdown of workforce per earnings	0.0% of workforce earning under minimum wage 0.0% of workforce earning minimum wage 100.0% of workforce earning above minimum wage		
Bonus Scheme found: Please specify details:	Bonus Scheme found: Facility management provides attendance bonus as per company policy. Note: type of employee (e.g. full time, temp, etc.) and please state which units e.g. /hour /week /month etc.		
What deductions are required by law e.g. social insurance? Please state all types:	As per section 125 of the Bangladesh Labour Law, 2006, factory may deduct wages for un-authorized absence, for fines, housing facility, advance payments, loans, income tax, provident fund, etc As per Bangladesh Finance Act 2022 factory may deduct BDT 20 for Government Revenue Stamp.		
Have these deductions been made?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No		

Please list all deductions that have been made.	1.Un-authorized absence
Please list all deductions that have not been made.	1. For fines, 2. housing facility 3. Advance payments 4. loans 5. income tax 6. PPE, Apron etc Facility does not deduct the above as they are not required.
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: The facility shows all real records which reflect all scenarios.
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: There is an annual review when local wage rates are examined (yearly minimum 5% increment
Are workers paid in a timely manner in line with local law?	<input type="checkbox"/> Yes <input checked="" 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: Facility gives increment, promotion based on performance and skill at work.
How are workers paid:	<input type="checkbox"/> Cash <input type="checkbox"/> Cheque <input checked="" type="checkbox"/> Bank Transfer <input type="checkbox"/> Other

Non-Compliance		Evidence
[Back to findings summary]		
Non-Compliance		
Status	OPEN	
Reference	ded94077-afd9-4e93-ae90-efaf1adae165	
Clause	5 - Living Wages are Paid	
Issue Title	446 - Isolated occurrence of wages not paid on time	
Subcategory	Payment of Wages	
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.	
Local law issue	In accordance with Bangladesh Labor Law 2006, section 123, The wages of every person employed in an establishment shall be paid before the expiry of the seven working day of the wage-period in respect of which the wages are payable.	
ETI code	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.	
Explanation to the non compliance	Based on document review during the audit day it was noted that workers' wage payment was not disbursed within 7th working day as per local regulation only for the month of January 2024 from the sampled months. Salary of January 2024 was paid on 11th February 2024 which was 09th working day for the factory. Noted that salary for other sample months were paid within 7th working days.	
Follow up method	<input checked="" type="checkbox"/> Follow up audit <input type="checkbox"/> Desktop audit	
Timescale	<input type="checkbox"/> Immediate <input type="checkbox"/> 30 days <input checked="" type="checkbox"/> 60 days <input type="checkbox"/> 90 days <input type="checkbox"/> 120 days <input type="checkbox"/> 180 days <input type="checkbox"/> 365 days <input type="checkbox"/> Other	
Actions	Factory shall pay all wages (salary and all type overtime payment) within the seventh working days of the following month.	

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: Material in/out records, daily production reports, and crosschecked these records with payroll records and attendance records, no inconsistency was noted. In addition, through employee interview, no inconsistency was noted either.
- Through employees' interview it was noted that, overtime is voluntary.
- Time keeping systems is Face Detection.
- All overtime is compensated at a premium rate for all employees.
- Facility provides 1 rest day in every week.

Evidence examined:

- Employees' interviews
- Management interview
- Facility policy on working hours
- Salary sheet
- Payslip
- Job card
- Attendance register
- Production record
- Quality and production records to cross check hours

Any other comments:

None

Working hours' analysis

Systems & Processes

What timekeeping systems are used?	Face detection
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)	Daily 02 hour, weekly 12 hour for the month of January 2024 (Current paid month) Daily 02 hour, weekly 12 hour for the month of October 2023 (Random month) Daily 02 hour, weekly 12 hour for the month of May 2023 (Random month)
Combined hours (standard or contracted + overtime hours = total) over 60 found?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No Please give details: Combined hours not found over 60 hours per week.
Approximate percentage of total workers on highest overtime hours:	60.0%
Is overtime voluntary? (Please detail evidence e.g. Wording of contract / employment agreement / handbook / worker interviews / refusal arrangements)	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> Conflicting Information Please give details: Based on employees' interviews, employee can do overtime as per their willingness and it's not mandatory. Facility management never forces employees to do overtime.
Overtime premium	

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

Evidence examined:

- Policy of Anti-Discrimination.
- Recruitment policy.
- Training record.
- Termination records.
- Female employee rights

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)	No such women working in the facility.	
Is there any evidence of discrimination based on race, caste, national origin, religion, age, disability, gender, marital status, sexual orientation, union membership or political affiliation?	<input type="checkbox"/> Hiring <input type="checkbox"/> Promotion	<input type="checkbox"/> Compensation <input type="checkbox"/> Termination or retirement <input checked="" type="checkbox"/> No evidence of discrimination found
Please give details	No such evidence found	
Professional Development		
What type of training and development are available for workers?	<ul style="list-style-type: none"> • Orientation Training • Fire Fighting Training • First Aid Training • PPE Training • Health & Safety Training • MSDS/ Chemical Handling training • Environment related training 	

Are HR decisions e.g. promotion, training, compensation based on objective, transparent criteria? (If no, please provide details)

Yes 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 employees are getting signed labour contract and ID card during their recruitment.
- Facility maintains service books for all employees.

Evidence examined:

- Recruitment policy.
- Employees personal file.
- Appointment letter.
- Employee service book.
- New employee joining register.

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)

- Yes No

Migrant Workers	
Type of work undertaken by migrant workers:	Not Applicable as there is 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 as there is no migrant worker in the facility.
Is there any observation on this finding?	None
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
Non-employee workers	
Recruitment Fees	
Are there any fees?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
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.)	
Number of agencies used (average):	0
Please provide the names of agencies if applicable	Not applicable as there was no agency worker in the facility.
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. There were no migrant agency workers in the facility.
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, site does not use agencies.
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.)	
Any contractors on site?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No Please give details: Site does not have any contractors on site.

Do all contractor workers understand their terms of employment?

Yes No

Please give details:

Not applicable. There are no workers supplied by contractors in the facility.

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:

- No sub-contracting and homeworking were used by this facility.
- All workers getting signed labour contract and ID card during their recruitment.
- Facility maintains service books for all workers.

Evidence examined:

- Shipment record.
- Goods in and out register.
- Production record.
- Goods in and out gate pass / records.

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

<p>Are there any open disputes?</p>	<p><input type="checkbox"/> Yes <input checked="" type="checkbox"/> No</p> <p>Please give details:</p>
<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</p> <p>Please give details:</p>
<p>Is there a published and transparent disciplinary procedure?</p>	<p><input checked="" type="checkbox"/> Yes <input type="checkbox"/> No</p> <p>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</p> <p>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</p> <p>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:

- Only employees with a legal right to work shall be employed or used by the facility.
- The age of the youngest worker was found 19 years.

Evidence examined:

- Factory recruitment policy.
- Employees personal file.

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:

- Facility has a written environmental policy.
- Facility has done environmental impact assessment.
- Facility has wastage agreement with the licensed vendor M/s Rahat Enterprise which is valid for 05 years from 01 December 2021 to provide and recycle the solid waste of the facility.
- Facility has tested noise level & air emission level on 06 September 2023 from Qtex Solutions Ltd.

Evidence examined:

- Facility environment policy and procedure
- Environment management system documents
- Air and noise test report, EIA, and GHG Emission Inventory.
- Water and energy consumption register
- Wastage register
- Water and energy consumption register
- Contract for wastage disposal

Any other comments:

None

Environmental Analysis


Is there a manager responsible for Environmental issues (Name and Position):

The facility has a responsible person for environmental issues. The responsible person is Name: Prosanta Mojumder Designation: Manager-ETP

Has the site conducted a risk assessment on the environmental impact of the site, including implementation of controls to reduce identified risks?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No Please give details: Facility conducted a risk assessment on the environmental impact of the site, including implementation of controls.
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: Facility successfully achieved the ISO 14001:2015 certificate with meeting all the requirements. Date of Expiry: 20-Mar-2025
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: Facility has an environmental policy to reduce negative environmental impact. The policy also addresses the proper waste management. The policy addresses the key impacts from their operations and their commitment to improvement.
Does the site have a Biodiversity policy?	<input checked="" type="checkbox"/> Yes <input 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: None Observed
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. The facility have all permit to use energy and water. The facility has also valid environmental clearance certificate (ECC) from Department of Environment.
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: Facility keep the records of hazardous chemicals used in their manufacturing process. Facility has a chemical inventory covering for all the chemicals used in the facility.
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: There are system for managing 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 reduction targets in place for reduce environmental impact.

Facility has evidence of waste recycling and is monitoring volume of waste that is recycled.	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No Please give details: Facility does not have waste recycling process.
Does the facility have a system in place for accurately measuring and monitoring consumption of key utilities of water, energy and natural resources that follows recognised protocols or standards?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No Please give details: Facility has a measuring system to monitor the water and, energy consumption. Facility has meters to accurately measure and monitor energy consumption, and water consumption.
Has the facility checked that any Sub-Contracting agencies or business partners operating on the premises have the appropriate permits and licences and are conducting business in line with environmental expectations of the facility?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No Please give details: Not Applicable. No Sub-Contracting agencies or business partners operating on the premises.

Usage/Discharge analysis		
Criteria	Previous year: 2023	Current year: 2024
Electricity Usage: Kw/hrs	98429	10584
Renewable Energy Usage: Kw/hrs	1170	35
Gas Energy Usage: Kw/hrs	5235702	195195
Has site completed any carbon Footprint Analysis?	Yes	Yes
If Yes, please state result	10143535.57	850569.96
Water Sources	Ground Water	Ground Water
Water Volume Used	306612	23762
Water Discharged	Near canal	Near canal
Water Volume Discharged	212732	15690
Water Volume Recycled	0	0
Total waste produced	153929.35 Kg	11169.2 kg
Total hazardous waste produced	25687 Kg	1962 Kg
Waste to recycling	0	0
Waste to landfill	0	0
Waste to other	95700 Kg	6880 Kg
Total Product Produced	2801784 KG	220140 KG

Non-Compliance		Evidence
[Back to findings summary]		
Non-Compliance		
Status	OPEN	
Reference	8092694c-d9db-4752-aaab-8759ceac6129	
Clause	10B4 - Environment 4-Pillar	
Issue Title	624 - Employees not trained in waste management	
Subcategory	Waste Management	
New or carried over?	<input checked="" type="checkbox"/> New <input type="checkbox"/> Carried Over	
Root cause	<input checked="" type="checkbox"/> Training <input type="checkbox"/> System <input type="checkbox"/> Costs <input type="checkbox"/> Lack of workers <input type="checkbox"/> Other	
Root cause - Other		
Local law issue	In accordance with Bangladesh labour rules 2015 rules No 40 (2): Metallic objects, wastes with terrible odour, chemical wastes and medical wastes should be removed in separate boxes every day.	
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	Based on floor visit, during the audit day it was noted that factory has dedicated wastage store for hazardous and nonhazardous waste but factory management has kept different types of hazardous and nonhazardous waste beside wastage store on open sky without proper segregation and protection from rainwater.	
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 was recommended that factory management should ensure proper training to the workers so that they can keep the wastage in dedicated waste store with proper segregation.	
		 <u>Wastage kept without proper segregation.JPG</u>

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:

- The integrity policy of Intertek was given to the facility prior to start the audit. The management acknowledged this, signed it and kept a photocopy.
- The company manual contains the details of Business Ethics; moreover, they have anti-bribery and anti-corruption policy. The Business integrity policy was established and communicated to all employees by company manual, employee handbook and orientation and regular training.
- Based on facility's management interview, the facility was familiar on local regulations/laws concerning business integrity standards.
- Mr. Md. Ruhul Alam Sharif, General Manager (Compliance) is the responsible person for business integrity.
- The employees have their orientation training on business ethics when they first start their job. The Admin and Compliance department determines all job roles and responsibility categorized by section.

Evidence examined:

- The company business ethics policy including bribery, corruption
- Training records

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 type="checkbox"/> Policy for third parties including suppliers</p> <p>Please give details: Facility has business ethics policy and the policy communicated internally & externally.</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 gives training to relevant personnel on business ethics issues.</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: The policy gets updated on a regular basis.</p>
<p>Does the site require third parties including suppliers to complete their own business ethics training</p>	<p><input type="checkbox"/> Yes <input checked="" type="checkbox"/> No</p> <p>Please give details: The site does not require third parties including suppliers to complete their own business ethics training.</p>

Attachments



Facility gate.JPG



Facility building-2.JPG



Facility Building -1.JPG



Facility name.JPG



Security Post.JPG



Stitching (Packing).JPG



Stitching (Sewing).JPG



Weaving.JPG



Winding.JPG



Warping.JPG



Stitching (Finishing).JPG



Sizing.JPG



Stitching (Cutting).JPG



Dyeing.JPG



Finished goods store.JPG



Yarn store.JPG



Dyes store.JPG



Chemical store.JPG



PA system.JPG



Fog light.JPG



Smoke detector.JPG



Path marking.JPG



First aider.JPG



Fire hydrant pump.JPG



Fire fighting equipment.JPG



Fire hose pipe.JPG



First aid box.JPG



Fire fighter.JPG



Fire hose pipe demonstration.JPG



Emergency light.JPG



Fire alarm sounder.JPG



Evacuation plot plan.JPG



Emergency contact number.JPG



Drinking water facility.JPG



Canteen.JPG



Doctor's room.JPG



Toilet area.JPG



Dining.JPG



Childcare room.JPG



Compressor.JPG



Electric sub-station.JPG



Electric distribution board.JPG



Generator.JPG



Boiler.JPG



Time keeping system.JPG



Grievance box.JPG



Wastage store.JPG



Sedimentation tank of ETP.JPG



Notice board.JPG



Screening process of ETP.JPG



Equalization tank of ETP.JPG



Weaving operator is not wearing ear plug.JPG



Dyeing operator is not wearing respective PPE.JPG



Wastage kept without proper segregation.JPG



Fire control panel.JPG



Eye wash station.JPG



Exhaust fan.JPG



Signed CAPR.pdf



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