Monitoring summary report for ACS Textiles (Bangladesh) Ltd.
MONITORING ID: 23-0229049

amfori Trade with purpose

Monitored Party	amfori ID	Address
ACS Textiles (Bangladesh) Ltd.	**050-000040-000**	**Tetlabo, Rupganj, 1461 Narayanganj, Dhaka, Bangladesh**

Monitoring Activity	Monitoring Type	Monitoring Partner
amfori Social Audit - Manufacturing	**Full Monitoring**	**TÜV NORD CERT GmbH**

Monitoring Start Date	Closing Meeting Finished Date	Submission Date
15/01/2024	**29/01/2024**	**29/01/2024**

Expiration Date	Announcement Type
29/01/2026	**Semi Announced**

Site	Site amfori ID
ACS Textiles (Bangladesh) Ltd.	**050-000040-002**

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OVERALL RATING

A **B** C D E None

SECTION RATING

PA1: Social Management System	B
PA 2: Workers Involvement and Protection	B
PA 3: The Rights of Freedom of Association and Collective Bargaining	A
PA 4: No Discrimination, Violence or Harassment	C
PA 5: Fair Remuneration	C
PA 6: Decent Working Hours	A
PA 7: Occupational Health and Safety	A

PA 8: No Child Labour	**A**	
PA 9: Special Protection for Young Workers	**A**	
PA 10: No Precarious Employment	**A**	
PA 11: No Bonded, Forced Labour or Human Trafficking	**A**	
PA 12: Protection of the Environment	**A**	
PA 13: Ethical Business Behaviour	**A**	

GENERAL DESCRIPTION

Name of lead auditor: Sohalur Rahman Mazumder, APSCA membership number: CSCA21700864.
Name of team auditor (if applicable): Md. Muftadeul Islam; APSCA membership number: ASCA21704231 and Bodrudduja Chowdhury, APSCA membership number: ASCA21704455.
Name of observers, translators, trainees, advisors/consultants (if applicable): None.

Monitoring partner name: TÜV Nord CERT GmbH.
Audit schedule details: The audit is planned for 3 auditors x 1 day and 3 auditors x 0.84 day (5.5 auditor day).

Announcement Type: This is a semi-announced 'full monitoring'.

Business partner information:
Location: The factory is located at Tetlabo, Rupganj, Narayanganj – 1461, Bangladesh and started its operation on 2004.

Product and capacity: The factory is manufacturing home textile (Bed Linen, Bed Sheets, Bedspreads, Curtains, Cushions, Comforter, Quilt cover, Fitted sheets etc.)

Production process: yarn dyeing, weaving, dyeing section, printing, embroidery, stitching and finishing.

Audited location information: The facility consists of 15 buildings. Details building description is given below.

Building 01:
Ground floor: Embroidery section, weaving section, sizing section, warping section.
1st floor: Finishing section, cutting section, feeding section, stitching section, packing section, metal free area and finished goods store.
2nd floor: Wastage store and prayer room.

Building 02:
Ground floor: Weaving section, sizing section, warping section-2, stenter machine and raising section.
1st floor: Quality Section, cutting section, feeding section, stitching section, fabrics inspection area, fabrics folding section, packing section and finished goods area.

Building 03:
Ground floor: Medical room
1st floor: Childcare room and Fire Controls room.

Building 04:
Ground floor: Warping section, twisting and doubling.
1st floor: Finishing, folding section.

Building 05:
Ground floor: Generator, boiler, compressor and substation.
1st floor: Office.

Building 06:
Ground floor: Bleaching, dyeing, dyeing finishing, color kitchen, chemical keeping areas and printing section, ETP.

Building 07:
Ground floor: Chemical store and work shop.
1st floor: General store and officers' canteen and dining area.
2nd floor: Workers Canteen.

Building 08:

Ground floor to 2nd floor: Higher management dormitory.
3rd floor: Vacant.

Building 09:
Ground floor to 2nd floor: Security Dormitory.
3rd floor: Vacant.

Building 10:
Ground floor: Washing unit.

Building 11:
Ground floor: Chemical store and quilting machine.
1st floor: fabric store.
2nd floor: mending.
3rd floor: vacant.

Building 12:
Ground floor: Weaving section, sizing section, warping section, stenter machine, raising section.
1st Floor: Quilting section, cutting section, feeding section, fabric inspection, packing section, finished goods area.

Building 13:
Ground floor: Compressor room, generator room m and office.
1st floor: Vacant.

Building 14:
Ground floor: Digital printing.
1st floor: Tufting.
2nd floor: Tufting.

Building 15:
Ground floor: Office, accounts, finance and commercial.
1st floor: Showroom and Display Center, Marketing and Commercial Export.
2nd floor: Sample room.

The factory's normal working hour start from 09:00 am to 06:00 pm. Weaving section, dyeing section, washing section, processing and security section: 06:00 am to 02:00 pm, 02:00 pm to 10:00 pm and 10:00 pm to 06:00 am. Embroidery section runs in two shift: 06:00 am to 02:00 pm and 02:00 pm to 10:00 pm. Employees are allowed for one-hour break. Employees work regularly 48 hours per week. Friday is their weekly off day.

Time recording system: The factory maintains attendance records through electronic time keeping systems.

Salary payment details: Workers are paid monthly basis and the factory follows calendar month (1 to 30). Employees are paid through bank account and payment made within 7th working day after completion of a wage period.

Worker number information:
• Total worker number 4373 (4117 production and 256 management workers).
• Production worker number 4117 (2401 male and 1716 female workers).
• Vulnerable worker number: 2191 (working at night shift).
• Any other special group workers: None.

The factory has formed workers' participation committee through election process on 15th November 2022. There is total 24 members in the current committee, 05 from management representatives (male 03 and female 02) and 19 (male 11 and female 08) from worker representatives. Workers' participation committee meeting is conducted regularly where both (workers and management) try to discuss about improving working conditions. Last meeting of the committee held on 20th December, 2023. Vice President (from workers' side) was absent on the audit day; a member was present at the audit.

Circumstances: A visit of the plant was made (with seeking permission for photography). The lead auditor explained the audit purpose and scope to the management team. It was also communicated that workers will be interviewed in private, detailed document checking and a payroll record review shall be carried out. Confidentiality of all information was guaranteed by the auditor. All management staff remained with the assessment team throughout the assessment process and was very cooperative throughout the assessment process. There was no special circumstance during the audit.

Summary of findings: [PA stands for Performance Area] There are findings in PA 1- Social Management System (1.1), PA 2- Workers Involvement and Protection (2.4 and 2.5), PA 4: No Discrimination, Violence or Harassment (4.1 and 4.2), PA 5- Fair Remuneration (5.4 and 5.6), PA 7- Occupational Health and Safety (7.1, 7.3, 7.10, 7.23) and PA 13: Ethical Business Behaviour (13.1).

Living wage calculation: Living wage (21,091) was taken from GLWC website (based on the Anker Methodology) and Narayanganj has been considered as a district surrounding Dhaka.

Precautions taken about #COVID-19 in the facility: The factory has taken precautionary measures regarding covid- 19: thermal checking for all employees and visitors, regular trainings to all employees for covid- 19 precautions, sanitization of the factory regularly, covid- 19 awareness poster was found available in different areas in the facility.

Special Notes:
There are no contractor and agencies used by the auditee, which makes the agency labor contract not applicable.
No Govt. waiver is available.
The factory has no collective bargaining agreements as it is not mandatory.

The client mentioned number of employees as 4400 in the initial questionnaire and during audit it was found 4373 as some of the employees have left; and it does not change the audit man-days.
Some documents are uploaded in the platform as per requirement of amfori BSCI System but data protection law/ requirement has been respected alongwith.

S4C: During the current assessment, it was noted that still the factory is not well aware about the requirement of 'Speak for Change'. Hence, no awareness has been developed yet among the management and employees.

SITE DETAILS

Site	Site amfori ID
ACS Textiles (Bangladesh) Ltd.	**050-000040-002**

GICS Classification

Sector	Industry Group	Industry
Consumer Discretionary	**Consumer Durables & Apparel**	**Textiles, Apparel & Luxury Goods**

Sub Industry
Textiles

amfori Process Classifications

Bleaching
Calendering
Continuous dyeing / Pad Steam dyeing / Pad dry dyeing / Thermosol
Desizing
Embroidery (machine)
Mercerizing/ Decating / Mercerisation
Rotary screen printing
Sewing / Stitching
Singeing/Burning
Stenter / Hot air drying

GS1 Classifications

Segment	**Household/Office Furniture/ Furnishings**
Family	**Fabric/Textile Furnishings**
Product Class	**Bedding**

NACE Classification

Finishing of textiles

Water Stress Situation

This site is not located in a water stressed region

METRICS

Key Metrics

Total workforce	3,831	Workers
Legal minimum wage in local currency	5,710	Monthly
Lowest wage paid for regular work at the site	7,000	Monthly
Calculated living wage in local currency	21,091	Monthly
Total sample	50	Workers

Other Metrics

Male workers	2,298	Workers
Female workers	1,533	Workers
Non-binary workers	0	Workers
Permanent workers - Male	2,401	Workers
Permanent workers - Female	1,716	Workers
Permanent workers - Non-binary	0	Workers
Temporary workers - Male	0	Workers
Temporary workers - Female	0	Workers
Temporary workers - Non-binary	0	Workers
Seasonal workers - Male	0	Workers
Seasonal workers - Female	0	Workers
Seasonal workers - Non-binary	0	Workers
Management - Male	222	Workers
Management - Female	34	Workers
Management - Non-binary	0	Workers
Apprentices - Male	0	Workers
Apprentices - Female	0	Workers
Apprentices - Non-binary	0	Workers
Workers on probation - Male	0	Workers
Workers on probation - Female	0	Workers
Workers on probation - Non-binary	0	Workers
Workers with night shift - Male	2,191	Workers
Workers with night shift - Female	0	Workers
Workers with night shift - Non-binary	0	Workers
Workers with disabilities - Male	0	Workers
Workers with disabilities - Female	0	Workers
Workers with disabilities - Non-binary	0	Workers
Domestic migrant workers - Male	0	Workers
Domestic migrant workers - Female	0	Workers
Domestic migrant workers - Non-binary	0	Workers
Foreign migrant workers - Male	0	Workers

Foreign migrant workers - Female	**0**	**Workers**
Foreign migrant workers - Non-binary	**0**	**Workers**
Workers hired directly - Male	**2,623**	**Workers**
Workers hired directly - Female	**1,750**	**Workers**
Workers hired directly - Non-binary	**0**	**Workers**
Workers hired indirectly - Male	**0**	**Workers**
Workers hired indirectly - Female	**0**	**Workers**
Workers hired indirectly - Non-binary	**0**	**Workers**
Unionised workers - Male	**0**	**Workers**
Unionised workers - Female	**0**	**Workers**
Unionised workers - Non-binary	**0**	**Workers**
Workers under CBA - Male	**0**	**Workers**
Workers under CBA - Female	**0**	**Workers**
Workers under CBA - Non-binary	**0**	**Workers**
Pregnant workers	**0**	**Workers**
Workers on parental leave - Male	**0**	**Workers**
Workers on parental leave - Female	**0**	**Workers**
Workers on parental leave - Non-binary	**0**	**Workers**
Sample - Male	**30**	**Workers**
Sample - Female	**20**	**Workers**
Sample - Non-binary	**0**	**Workers**

FINDINGS

PA1: Social Management System

Site: ACS Textiles (Bangladesh) Ltd. | Site amfori ID: 050-000040-002

Question: 1.1 Is there satisfactory evidence that the auditee has set up an effective management system to implement the amfori BSCI Code of Conduct?

ENGLISH

Finding

Through current assessment, it was noted that though the factory has developed a social management system (a team, organogram, internal monitoring) to integrate the amfori BSCI code of conduct into day-to-day business practice and to contribute customers and stakeholders in possible continuous improvement of the facility but some gap was identified in in other performance area (1, 2, 4, 5, 7 and 13). [As per amfori BSCI CoC]

PA 2: Workers Involvement and Protection

Site: ACS Textiles (Bangladesh) Ltd. | Site amfori ID: 050-000040-002

Question: 2.4 Is there satisfactory evidence that the auditee builds sufficient competence among managers, workers and workers representatives to successfully embed responsible practices in the business operation?

ENGLISH

Finding

Through interview, it was noted that 15 out of 50 workers sampled workers and midlevel management of the factory were found less knowledgeable about the requirements of amfori BSCI code of conduct.

Question: 2.5 Is there satisfactory evidence that the auditee has established, or participates in, an effective operational-level grievance mechanism for individuals and communities?

ENGLISH

Finding

Through documents review as well as interview with the management and workers, it was noted that though the factory has developed grievance policy and procedure for its employees, but the policy and procedure did not define properly the area of 'Potential Conflict of Interest', ‘Time Frame’ and ‘Appealing Procedure’. In addition, interviewed workers (17 out of 50) were not found knowledgeable regarding the existing grievance mechanism.

PA 4: No Discrimination, Violence or Harassment

Site: ACS Textiles (Bangladesh) Ltd. | Site amfori ID: 050-000040-002

Question: 4.1 CRUCIAL: Is there satisfactory evidence that the auditee takes the necessary measures to avoid or eradicate discrimination in the workplace?

ENGLISH

Finding

Through management interview and documents review it was noted that (a) factory management did not conduct any internal assessment to identify the most frequent grounds used for discrimination as well as most common activities through which discrimination may occur. (b) Though no discrimination found in the factory, but the factory management didn't develop a mechanism to identify the root cause of discrimination behaviors (if any).

Question: 4.2 Is there satisfactory evidence that the auditee takes the necessary preventative and/or remedial measures to ensure workers are not disciplined, dismissed, harassed or otherwise discriminated against because of their complaints against infringements of their rights?

ENGLISH

Finding

Through documents review as well as interview with the management and workers, a) it was noted that though the factory has developed policy and procedure for 'No Discrimination' in workplace; but factory did not conduct a proper periodic satisfaction survey on discrimination and harassment in the factory. [As per amfori BSCI CoC]
b) Through management and employee interview it was found that there was not adequate training on Discrimination, Violence or Harassment for workers. [As per amfori BSCI CoC]

PA 5: Fair Remuneration

Site: ACS Textiles (Bangladesh) Ltd. | Site amfori ID: 050-000040-002

Question: 5.4 Is there satisfactory evidence that the auditee provides sufficient remuneration that allows workers to meet a decent standard of living?

ENGLISH

Finding

Through documents review as well as interview with the management and employee interview, it was found that the factory has estimated the decent living wage; but the factory was paying the remuneration lower than the decent living wage calculated by GLWC for the region BDT 21,091 (outside Dhaka city). Evidence from remuneration record (last paid month: November 2023) reviews and worker interviews it was found that around 78% of the total employees are getting that lower than BDT 21,091 as per GLWC. [Amfori BSCI CoC]

Question: 5.6 CRUCIAL: Is there satisfactory evidence that the auditee ensures that deductions are only taken under the conditions and to the extent prescribed by the law?

ENGLISH

Finding

It was noted through salary sheet, job card, payment voucher, accidents and injuries record and related document review and management interviewed that, the factory management has done illegal deduction from the worker salary for as an expense for on-site accidents or major injuries during working hours. During the audit 2 major accident history were checked where the employees took treatment in the outside hospital, but the expense was deducted from the employees' wage. For example for an accident on March 2023, factory expended BDT 2000 initially at the hospital outside the factory but that amount was deducted from the employee's account on the next month April 2023. As per law all expenditure of accidents and injuries in workplace should be carried by the employer. [Bangladesh Labour Law 2006, Amendment in 2013, Section 125 and Bangladesh Labour Rules 2015, Rules 142]

PA 7: Occupational Health and Safety

Site: ACS Textiles (Bangladesh) Ltd. | Site amfori ID: 050-000040-002

Question: 7.1 Is there satisfactory evidence that the auditee observes occupational health and safety regulations applicable for its activities?

ENGLISH

Finding

Through plant tour, documents review as well as interview with the workers and management, it was noted that although the factory has developed a comprehensive mechanism to observe occupational health and safety regulations applicable for its activities; but some lacking was observed in the applicability of regulations; those are noted in each sub-head (7.1, 7.3, 7.10 and 7.23). [amfori BSCI CoC]

Question: 7.3 Is there satisfactory evidence that the auditee set up an effective management system that ensures they regularly carry out risk assessments for safe, healthy and hygienic working conditions?

ENGLISH

Finding

Through documents review as well as interview with management, it was noted that though the factory has assessed the health and safety risk but few areas were not taken into consideration like kitchen, dormitory, vehicle movement inside the factory, main road in front of the factory gate etc. [Bangladesh Labor Rules 2015, Schedule 4]

Question: 7.10 Is there satisfactory evidence that the auditee has and properly uses procedures and systems for reporting and recording occupational accidents and injuries?

ENGLISH

Finding

Through documents review and management interview, it was noted that the factory has recorded injuries or accidents that happed in the workplace but there is no adequate procedure and system for investigation of the accident and injuries to identify root cause of them. For example, last injury happened on 28th December, 2023 and it was a minor cutting injury, but proper investigation to identify the root cause of it

Finding

was not done. [amfori BSCI CoC]

Question: 7.23 Is there satisfactory evidence that the auditee provision of transportation to workers is safe and complies with national regulations?

ENGLISH

Finding

Through documents review and management interview, it was found that the factory has used five buses for the transportation of the employees but the required legal documents like, driving license, route permit, fitness certificates, cylinder test records of two of the vehicles were not properly maintained. [Bangladesh Road Transport Act, 2018, Section 4, 5 and 6]

PA 13: Ethical Business Behaviour

Site: ACS Textiles (Bangladesh) Ltd. | Site amfori ID: 050-000040-002

Question: 13.1 Is there satisfactory evidence that the auditee actively opposes any act of corruption, extortion or embezzlement, or any form of bribery in its activities as a business enterprise?

ENGLISH

Finding

Through documents review as well as interview, it was noted that though the factory has identified the possible risky areas where corruption & bribery may happen; but adequate and proper training among the all relevant employees was not ensured. [amfori BSCI CoC]