




Sedex Members Ethical Trade Audit Report

Version 6.1



Audit Details				
Sedex Company Reference: <i>(only available on Sedex System)</i>	ZC: 1089415	Sedex Site Reference: <i>(only available on Sedex System)</i>	ZS: 1076407	
Business name (Company name):	Masihata Sweaters Limited			
Site name:	Masihata Sweaters Limited			
Site address: <i>(Please include full address)</i>	South Panishail, Kashimpur, Gazipur, Bangladesh	Country:	Bangladesh	
Site contact and job title:	Md. Feroz Kabir Prodhon-GM (Admin, HR & Compliance)			
Site phone:	+8801730333415	Site e-mail:	feroz@masihata.com	
SMETA Audit Pillars:	<input checked="" type="checkbox"/> Labour Standards	<input checked="" type="checkbox"/> Health & Safety (plus Environment 2-Pillar)	<input type="checkbox"/> Environment 4-pillar	<input type="checkbox"/> Business Ethics
Date of Audit:				

Audit Company Name & Logo: ITS Labtest Bangladesh Ltd 	Report Owner (payer): Masihata Sweaters Limited
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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 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.

Any exceptions to this must be recorded here (e.g. different sample size): The audit duration took less time than expected as the support of facility management was very prompt, very transparent during the audit process.

Auditor Team (s) (please list all including all interviewers): E.M. Saber in Bhuiyan-Auditor (RA 21700585), Tanzil Islam-Auditor (21704234), Md. Mynul Hasan-Auditor (21704283), Nusrat Hossain Trisha-Auditor (21704282)

Lead auditor: E.M. Saber in Bhuiyan (RA 21700585)
Lead auditor APSCA status: RA

Team auditor: Tanzil Islam-Auditor (21704234), Md. Mynul Hasan-Auditor (21704283), Nusrat Hossain Trisha-Auditor (21704282)

Interviewers: Tanzil Islam-Auditor (21704234), Md. Mynul Hasan-Auditor (21704283), Nusrat Hossain Trisha-Auditor (21704282)

Report writer: E.M. Saber in Bhuiyan
Report reviewer: Shahida Akhtar (Senior Report Reviewer)

Date of declaration: 18 & 19 November 2019

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.

This report provides a summary of the findings and other applicable information found/gathered during the social audit conducted on the above date only and does not officially confirm or certify compliance with any legal regulations or industry standards. The social audit process requires that information be gathered and considered from records review, worker interviews, management interviews and visual observation. More information is gathered during the social audit process than is provided here. The audit process is a sampling exercise only and does not guarantee that the audited site prior, during or post-audit, are in full compliance with the Code being audited against. The provisions of this Code constitute minimum and not maximum standards and this Code should not be used to prevent companies from exceeding these standards. Companies applying this Code are expected to comply with national and other applicable laws and where the provisions of law and this Code address the same subject, to apply that provision which affords the greater protection. The ownership of this report remains with the party who has paid for the audit. Release permission must be provided by the owner prior to release to any third parties.

Summary of Findings

Issue (please click on the issue title to go direct to the appropriate audit results by clause) Note to auditor, please ensure that when issuing the audit report, hyperlinks are retained.	Area of Non-Conformity (Only check box when there is a non-conformity, and only in the box/es where the non-conformity can be found)				Record the number of issues by line*:			Findings (note to auditor, summarise in as few words as possible NCs, Obs and GE)
	ETI Base Code	Local Law	Additional Elements	Customer Code	NC	Obs	GE	
0A Universal Rights covering UNGP			<input type="checkbox"/>	<input type="checkbox"/>				
0B Management systems and code implementation		<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>				
1. Freely chosen Employment	<input type="checkbox"/>	<input type="checkbox"/>		<input type="checkbox"/>				
2. Freedom of Association	<input type="checkbox"/>	<input type="checkbox"/>		<input type="checkbox"/>				
3. Safety and Hygienic Conditions	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>		<input type="checkbox"/>	05	01		Non -Compliance: <ul style="list-style-type: none"> Needle guard of 10 % sewing machine was found displaced No respiratory mask was used by spot removing operator & 20% employee in overlock section were not using face mask partially faded aisles were found dining room was found unhygienic female washroom of 2nd floor was found slippery & unhygienic

									Observation <ul style="list-style-type: none"> Facility has 01 generator under 01 captive power Plant (CPP) licenses which was expired. Note that, 1.064 MW captive power plant (CPP) license was expired on 19 November 2019
4	<u>Child Labour</u>	<input type="checkbox"/>	<input type="checkbox"/>		<input type="checkbox"/>				
5	<u>Living Wages and Benefits</u>	<input type="checkbox"/>	<input type="checkbox"/>		<input type="checkbox"/>			03	<ul style="list-style-type: none"> Facility has provided attendance bonus to all employees as per company policy. Facility arranges annual picnic for all the employees. Facility provides health insurance for all the employees collaboration with Gonoshasthya Kendra
6	<u>Working Hours</u>	<input type="checkbox"/>	<input type="checkbox"/>		<input type="checkbox"/>				
7	<u>Discrimination</u>	<input type="checkbox"/>	<input type="checkbox"/>		<input type="checkbox"/>				
8	<u>Regular Employment</u>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	01			<ul style="list-style-type: none"> 20% of employee ID cards were not updated, in 1st floor, 2nd floor & 3rd floor of production building as per legally prescribed format
8A	<u>Sub-Contracting and Homeworking</u>		<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>				
9	<u>Harsh or Inhumane Treatment</u>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>				

10A	<u>Entitlement to Work</u>		<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>				
10B2	<u>Environment 2-Pillar</u>		<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>				
10B4	<u>Environment 4-Pillar</u>		<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>				
10C	<u>Business Ethics</u>		<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>				

General observations and summary of the site:

- Masihata Sweaters Limited is located at South Panishail, Kashimpur, Gazipur, Bangladesh
- The product manufactures in the facility is Sweater.
- The main production process is Jacquard, Linking, Trimming, Mending, Sewing, washing, Finishing, Packing.
- Overall responsibility for meeting the standards is taken by Md. Feroz Kabir Prodhan-GM (Admin, HR & Compliance).
- Legal minimum pays (BDT 8000.00) was paid to all employees. Correct OT hours were paid; Employees were paid 200% of minimum hourly wage for OT hours.
- Total 5819 employees are currently working in the facility (2909 male employees and 2910 female employees), which includes 5319 production employees and 500 non-production employees.
- Generally, the employees work for 6 days (Saturday-Thursday) in a week.
- The younger worker on site was 18 years old.
- There is no union and collective bargaining at this factory. It is also not mandatory by Local Law.
- There is evidence of both male and female in management and among supervisor.
- The Peak season is April to September in the audited site.
- Site uses no sub-contractors.
- The facility is operated generally in one shift (General Shift-8.00 am to 5.00 pm) and For Jacquard 1st Shift start from- 8.00 am to 5.00 pm, and 2nd shift start from 8.00 to 5.00 pm. There is one shift for lunch break 1.00 pm to 2.00pm and during night break time is 1.00 am to 2.00 am.
- Friday is facility weekly holiday.
- Audit scope is one year; from November 2018 to October 2019.
- Audit sample size is 90 according to the total man power of the facility.
- 90 employees were selected for interview including 45 males and 45 female employees, they were interviewed as 10 groups of 04 and the balances of 50 workers were interviewed individually.

- 90 employees' wages and hours were taken from September -October 2019 (Current paid month), April 1-May 2019 (Random Month- Peak), January-February 2019 (Random Month- Off peak).
- Standard working hours on site was in average 208 hours/month with 1 day off in every 7-day-period.
- Employee's wages are calculated on a monthly basis. The payment is being made through Cash within 7 working days of following month and the payment cycle is (Month count start from 21 of each month and end in 20th of month).

**Please note the table above records the total number of Non-compliances (NC), Observations (Obs) and Good Examples (GE). This gives the reviewer an indication of problem areas but does not detail severities of each issue – Reviewers need to check audit results by clause.*

Site Details

Site Details		
A: Company Name:	Masihata Sweaters Limited	
B: Site name:	Masihata Sweaters Limited	
C: GPS location: (If available)	GPS Address: South Panishail, Kashimpur, Gazipur, Bangladesh	Latitude: 23.991794 Longitude: 90.264459
D: Applicable business and other legally required licence numbers and documents, for example, business license number, liability insurance, any other required government inspections	<p>Factory License: Factory License No: 11961/Gazipur, bearing 'L' category, issued by Deputy Chief Inspector of Industry (Govt. Of the People's Republic of Bangladesh) which is valid till 30 June 2020.</p> <p>Fire License No.: DD/DHAKA/17558/2003 Issued by Bangladesh Fire Service & Civil Defense Authority, which is valid till 30 June 2020.</p> <p>Trade License No.: 1/66/19-11-18 issued by Gazipur City Corporation, which is valid till 30 June 2020.</p>	
E: Products/Activities at site, for example, garment manufacture, electricals, toys, grower, cutting, sewing, packing etc	All type of sweaters	
F: Site description: (Include size, location, and age of site. Also, include structure and number of buildings)	<p>Masihata Sweaters Limited is located at South Panishail, Kashimpur, Gazipur, Bangladesh. The facility has started its operation in 2002. Total land area of the facility premises 150362.68 square feet, production area is 221749 square feet and warehouse area is 70000 square feet.</p> <p>The facility premises consist of only requested facility; no other sister concern or entity was found during audit.</p> <p>Total 5819 employees are working in the facility including 500 non-production employees. Out of 5819 employees, 2910 are female employees and 2909 are male employees.</p> <p>The facility premises consist of total 01 building and 18 shed. The facility is made up off steel and concrete. Details description provided as below:</p>	

	Production Building no	Description	Remark, if any
	Ground floor	Linking, Linking Distribution Room, Overlock, Trimming, Mending, Bencher, Sewing/Label, Washing, PCO, Light/Check, Iron, Spot Removing Room, Packing, Finish Goods, Maintenance room, Inspection Room, Boiler Room, Sub Station & Office Area,	None
	1st Floor	Linking, Linking Distribution Room, Overlock, Trimming, Mending, Bencher, Sewing/Label, Washing, PCO, Light/ Check, Iron, Spot Removing Room, Packing, Finish Goods, PM room, Inspection Room & Office Area,	None
	2nd Floor	Linking, Linking Distribution Room, Overlock, Trimming, Mending, Bencher, Sewing/Label, Washing, PCO, Light Check, Iron, Spot Removing Room, Packing, Finish Goods, Time Section, Linking & Sewing Technician room, PM room, RQS Room, Inspection room & MD Conference Area,	None
	3rd Floor	Linking, Linking Distribution Room, Overlock, Trimming, Mending, Bencher, Sewing/Label, Washing, PCO, Light Check, Iron, Spot Removing Room, Packing, Finish Goods, Maintenance room, Dehumidifier room, Inspection room & Office Area (Conference & Inspection room),	None
	4th Floor	Linking, Linking Distribution Room, Overlock, Trimming, Mending, Bencher, Sewing/Label, Washing, PCO, Light/ Check, Iron, Packing, Linking Technician room, AGM room(Linking), Finish Goods, Spot Removing Room, HR Room, Training Room, AGM room & Office Area (Merchandising).	None
	5th Floor	Linking, Linking Distribution Room, Overlock, Trimming, Mending,	None

	Bench, Sewing/Label, Washing, PCC, Light Check, Iron, Spot Removing Room, Packing, Finish Goods, GM (Quality)Room, Q.A Dept: room, Inspection room & Accessories Store Area,	
Shed-1	Finish Goods, Prayer room, Sewing/Auto placket, store, office, Bonded warehouse, MDB Room & Jacquard Section.	None
Shed-2	Staff Dining, Canteen, Office, General Store, Received & Delivery.	None
Shed-3	Doctor's Room, Day-Care & Jacquard section,	None
Shed-4	Jacquard Section & Mending Inspection	None
Shed-5	Distribution area and Container	None
Shed-6	Jacquard Section & Empty drum room	None
Shed-7	Jut store	None
Shed-8	ETP	None
Shed-9	Rain Water Harvesting Plant	None
Shed-10	GAS Generator	None
Shed-11	BREB Sub-station	None
Shed-12	Chemical Room	None
Shed-13	Coal Boiler area & Machine room	None
Shed-14	Wash & Dryer, Diesel Generator, Boiler & Compressor and Auto Placket Section.	None
Shed-15	RMS, Toilet & Security guard room	None
Shed-16	Fire Control Room	None
Shed-17	Workers Dining room.	None
Shed-18	Compressor Room	None

For below, please add any extra rows if appropriate.

F1: Visible structural integrity issues (large cracks) observed?
☐ Yes
☒ No

F2: Please give details:

F3: Does the site have a structural engineer evaluation?
☒ Yes
☐ No

F4: Please give details: Site have a structural engineer evaluation.

G: Site function:

☐ Agent
☒ Factory Processing/Manufacturer
☒ Finished Product Supplier
☐ Grower

	<input type="checkbox"/> Homeworker <input type="checkbox"/> Labour Provider <input type="checkbox"/> Pack House <input type="checkbox"/> Primary Producer <input type="checkbox"/> Service Provider <input type="checkbox"/> Sub-Contractor
H: Month(s) of peak season: (if applicable)	April-September
I: Process overview: (Include products being produced, main operations, number of production lines, main equipment used)	<p>Product manufactured: Sweater</p> <p>Main production process: Jacquard, Linking, Trimming, Mending, Sewing, washing, Finishing, Packing</p> <p>Monthly production capacity: 1.6 million pcs per month</p> <p>Machines used: Intarsia Jacquard Sweater Knitting Machine (Hongqima, Hongqima (Neck), Gushing, Shima Seiki multi, Stoll), Dial Linking Machine (Running Tiger, Flying Tiger, Hongqima & Gushing), Auto Linking Machine, Plain Sewing Machine, Button Hole Machine, Button Stitch Machine, Flat Lock Machine, Bar Tack Machine, Over Lock Machine, Snap Button Machine, Blind Stich, Travers Winder, Hydro Extractor, Dryer, Iron, Semi-Automatic Packing Machine, Defect Detecting Light Check, Needle Detector (HASHIMA & CINTEX), Light Box (Veribide), Placket.</p> <p>Chemical Used: Softener, Silicone, Detergent, Fixing Agent, Soap-A, 909, Acetone, Wool Softener, Enzyme</p>
J: What form of worker representation / union is there on site?	<input type="checkbox"/> Union (name) <input checked="" type="checkbox"/> Worker Committee <input type="checkbox"/> Other (specify) <input type="checkbox"/> None
K: Is there any night production work at the site?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
L: Are there any on site provided worker accommodation buildings e.g. dormitories	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No L1: If yes, approx. % of workers in on site accommodation
M: Are there any off site provided worker accommodation buildings	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No M1: If yes, approx. % of workers
N: Were all site-provided accommodation buildings included in this audit	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No N1: If no, please give details Facility Doesn't provide any accommodation.

Audit Parameters			
A: Time in and time out	A1: Day 1 Time in: 9:20 Hours A2: Day 1 Time out: 16:10 Hours	A3: Day 2 Time in: 9:40 Hours A4: Day 2 Time out: 17:00 Hours	A5: Day 3 Time in: NA A6: Day 3 Time out: NA
B: Number of auditor days used:	Seven Man Days Day-1: 3 Auditors (Three Man Days) Day-2: 4 Auditors (Four Man Days)		
C: Audit type:	<input type="checkbox"/> Full Initial <input checked="" type="checkbox"/> Periodic <input type="checkbox"/> Full Follow-up <input type="checkbox"/> Partial Follow-Up <input type="checkbox"/> Partial Other If other, please define		
D: Was the audit announced?	<input type="checkbox"/> Announced <input checked="" type="checkbox"/> Semi – announced: Window detail: 2 weeks <input type="checkbox"/> Unannounced		
E: Was the Sedex SAQ available for review?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No E1: If No, why not?		
F: Any conflicting information SAQ/Pre-Audit Info to Audit findings?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No If Yes , please capture detail in appropriate audit by clause		
G: Who signed and agreed CAPR (Name and job title)	Md. Feroz Kabir Prodhan-GM (Admin, HR & Compliance)		
H: Is further information available (If yes, please contact audit company for details)	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No		
I: Previous audit date:	18&19 December 2018		
J: Previous audit type:	Periodic		
K: Were any previous audits reviewed for this audit	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No <input type="checkbox"/> N/A		

Audit attendance	Management	Worker Representatives	
	Senior management	Worker Committee representatives	Union representatives

A: Present at the opening meeting?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
B: Present at the audit?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
C: Present at the closing meeting?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
D: If Worker Representatives were not present please explain reasons why (only complete if no worker reps present)	Not applicable		
E: If Union Representatives were not present please explain reasons why: (only complete if no union reps present)	There is no trade union at this facility, and it is not mandated by law.		

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*				Total
	Permanent	Temporary	Agency	Permanent	Temporary	Agency	Home workers	
Worker numbers – Male	2909	0	0	0	0	0	0	2909
Worker numbers – female	2910	0	0	0	0	0	0	2910
Total	5819	0	0	0	0	0	0	5819
Number of Workers interviewed – male	45	0	0	0	0	0	0	45
Number of Workers interviewed – female	45	0	0	0	0	0	0	45
Total – interviewed sample size	90	0	0	0	0	0	0	90

A: Nationality of Management	Bangladeshi	
B: Please list the nationalities of all workers, with the three most common nationalities listed first. <i>Please add more nationalities as applicable to site. Add more rows if required.</i>	Nationalities: B1: Nationality 1: ___100%___ B2: Nationality 2: _____ B3: Nationality 3: _____	Was the list completed during peak season? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No If no, please describe how this may vary during peak periods: it will not vary during peak season
C: Please provide more information for the three most common nationalities.	C: approx. 100 % total workforce: Nationality 1 ___ Bangladeshi ___ C1: approx % total workforce: Nationality 2 ___NA___ C2: approx % total workforce: Nationality 3 ___NA___	
D: Worker remuneration (management information)	D: ___40___% workers on piece rate D1: ___NA___% hourly paid workers D2: ___60___% salaried workers Payment cycle: D3: ___NA___% daily paid D4: ___NA___% weekly paid D5: ___100___% monthly paid D6: ___NA___% other D7: If other, please give details	

Worker Interview Summary

Worker Interview Summary		
A: Were workers aware of the audit?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	
B: Were workers aware of the code?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	
C: Number of group interviews: (Please specify number and size of groups. Please see SMETA Best Practice Guidance and Measurement Criteria. If the auditor was not able to follow the BPG, please state within the declaration)	10 group of 4	
D: Number of individual interviews (Please see SMETA Best Practice Guidance and Measurement Criteria)	D1: Male: 25	D2: Female: 25
E: 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. <i>Note to auditor: please record details of migrant /agency/contractor workers in section 8 – Regular Employment, under Responsible Recruitment</i>	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No If no, please give details	
F: 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	
G: In general, what was the attitude of the workers towards their workplace?	<input checked="" type="checkbox"/> Favourable <input type="checkbox"/> Non-favourable <input type="checkbox"/> Indifferent	
H: What was the most common worker complaint?	None	
I: What did the workers like the most about working at this site?	Working hour is within limit and overtime is full voluntary.	
J: Any additional comment(s) regarding interviews:	None	
K: Attitude of workers to hours worked:	Working hour is within limit and overtime is full voluntary	
L. Is there any worker survey information available?		
<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No L1 If yes, please give details:		
M: Attitude of workers:		

(Include their attitude to management, workplace, and the interview process. Both positive and negative information should be included) Note: Do not document any information that could put workers at risk

The attitude of worker was favourable, and they were very willing, open and comfortable in terms of expressing their views. Most importantly they were very satisfied with the factory regarding the facility provided to them along with the payment system and management behaviour.

The employees were assured of confidentiality of the interview outcome and they spoke freely of their views of the factory. During interview all employees stated that they were satisfied with their employment at the factory and they have received wages as per their employment contract. They are free to leave the employer and understood the notice period required. The facility management treated them with respect and dignity.

They can complain directly to their supervisors or the line manager and are free to raise their general concerns to their PC representative who would take it to the PC meeting.

N: Attitude of worker's committee/union reps:

(Include their attitude to management, workplace, and the interview process. Both positive and negative information should be included) Note: Do not document any information that could put workers at risk

The Participation Committee members were positive about the facility and looking forward to developing relationships with the management team.

Worker committee's interviews were conducted privately in a separate place. They replied naturally regarding their responsibilities as a member and they also informed that they can easily carryout their daily job without any difficulties.

O: Attitude of managers:

(Include attitude to audit, and audit process. Both positive and negative information should be included)

The facility management showed a positive attitude to this audit and during the whole audit process, Md. Feroz Kabir Prodhan-GM (Admin, HR & Compliance), along with his team were present through the audit process and co-operated the whole audit. Facility management respects the requirement and allowed auditor to take photographs of all production process, best practices and non-conformities. They also provided required documents' photocopy 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.

Audit Results by Clause

0A: Universal Rights covering UNGP

0A: Universal Rights covering UNGP

[\(Click here to return to summary of findings\)](#)

0.A. Guidance for Observations

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, Md. Feroz Kabir Prodhan-GM (Admin, HR & 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 – to support system description (Documents examined & relevant comments. Include renewal/expiry date where appropriate):

Details:

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

Any other comments: None

A: Policy statement that expresses commitment to respect human rights?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No A1: Please give details:
B: Does the business have a designated person responsible for implementing standards concerning Human Rights?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No Please give details: Name: Md. Feroz Kobir Prodhan Job title: General Manager (Admin, HR & Compliance)
C: Does the business have a transparent system in place for confidentially reporting, and dealing with human rights impacts without fear of reprisals towards the reporter?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No C1: Please give details: The facility has an independent compliance team for reporting and dealing with human rights impact without fear and it is a completely transparent system.
D: Does the grievance mechanism meet UNGP expectations? (Legitimate, Accessible, Predictable, Equitable, Transparent, Rights-compatible, a source of continuous learning and based on stakeholder engagement)	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No D1: If no, please give details
E: Does the business demonstrate effective data privacy procedures for workers' information, which is implemented?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No E1: Please give details: The facility uses software for keeping privacy of workers information. Moreover, facility has an IT policy for data safety.

Findings		
Finding: Observation <input type="checkbox"/>	Company NC <input type="checkbox"/>	Objective evidence observed:
Description of observation: None observed		None observed
Local law or ETI/Additional elements / customer specific requirement: Not applicable		
Comments: None		

Good examples observed:	
Description of Good Example (GE): None Observed	Objective Evidence Observed:
	None observed

Measuring Workplace Impact

Measuring Workplace Impact Table

Workplace Impact		
A: 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)	A1: Last year: November 2017 to October 2018 ____2.5_ %	A2: This year: November 2018 to October 2019 _2____ %
B: Current % quarterly (90 days) turnover: Number of workers leaving from the first day of the 90 days period through to the last day of the 90 day period / [(number of employees on the 1 st day of 90 day period + number of employees on the last day of the 90 day period) / 2]	August-2019 to October-2019: 3%	
C: Annual % absenteeism: Number of days lost through job absence in the year / [(number of employees on 1 st day of the year + number employees on the last day of the year) / 2] * number available workdays in the year	C1: Last year: November 2017 to October 2018 ____3.5__ %	C2: This year: November 2018 to October 2019 ____4_ %
D: Quarterly (90 days) % absenteeism: Number of days lost through job absence in the period / [(Number of employees on 1 st of the period + Number of employees on the last day of the period) / 2] * Number of available workdays in the month	August-2019 to October-2019: 3%	
E: Are accidents recorded?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No E1: Please describe: All the injuries are recorded in an injury register.	
F: Annual Number of work related accidents and injuries per 100 workers: [(Number of work related accidents and injuries * 100) / Number of total workers]	F1: Last year: November 2017 to October 2018 Number: 0.40%	F2: This year: November 2018 to October 2019 Number: 0.45%
G: 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]	August-2019 to October-2019: 0.15%	
H: Lost day work cases per 100 workers: [(Number of lost days due to work accidents and work related injuries * 100) / Number of total workers]	H1: Last year: 0.22%	H2: This year: 0.15%
I: % of workers that work on average more than 48 standard hours / week in the last 6 / 12 months:	I1: 6 months ____0__% workers	I2: 12 months ____0____% workers

J: % of workers that work on average more than 60 total hours / week in the last 6 / 12 months:	J1: 6 months ____0____% workers	J2: 12 months ____0____% workers
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0: Management systems and Code Implementation

0B: Management system and Code Implementation

[\(Click here to return to summary of findings\)](#)

0.B.1 Suppliers are expected to implement and maintain systems for delivering compliance to this Code.
0.B.2 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.3 Suppliers shall appoint a senior member of management who shall be responsible for compliance with the Code.
0.B.4 Suppliers are expected to communicate this Code to all employees.
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 Md. Feroz Kabir Prodhan-GM (Admin, HR & 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.

Evidence examined – to support system description (Documents examined & relevant comments. Include renewal/expiry date where appropriate):

Details:

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

Any other comments: None

Management Systems:	
A: In the last 12 months, has the site been subject to any fines/prosecutions for non-compliance to any regulations?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No A1: 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.
B: Do policies and/or procedures exist that reduce the risk of forced labour, child labour, discrimination, harassment & abuse?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No B1: Please give details: It was noted through documentation review, facility has policies, and procedure for force labour, child labour, discrimination harassment and abuse.
C: If Yes, is there evidence (an indication) of effective implementation? Please give details.	It was noted through management and worker interview that overtime is voluntary for all employee. No child labour is found in the facility during the facility tour. And age verification certificate found in all the reviewed personal file.
D: Have managers and workers received training in the standards for forced labour, child labour, discrimination, harassment & abuse?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No D1: Please give details: Managers and workers were communicated the written standards for forced labour, child labour, discrimination, harassment & abuse by notification board and training. Last orientation training was held on 13/11/2019 with 10 participants and conducted by Asst. Manager-HR.
E: If Yes, is there evidence (an indication) that training has been effective e.g. training records etc.? Please give details	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No E1: Please give details: Training record were found including pictures and attendance sheet.
F: Does the site have any internationally recognised system certifications e.g. ISO 9000, 14000, OHSAS 18000, SA8000 (or other social audits). Please detail (Number and date).	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No F1: Please give details:
G: Is there a Human Resources manager/department? If Yes, please detail.	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No G1: Please give details: Md. Feroz Kabir Prodhan-GM (Admin, HR & Compliance)
H: Is there a senior person / manager responsible for implementation of the code	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No H1: Please give details: Md. Feroz Kabir Prodhan-GM (Admin, HR & Compliance)
I: Is there a policy to ensure all worker information is confidential?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No

	I1: Please give details: The facility has an IT security policy which ensures worker information is confidential.
J: Is there an effective procedure to ensure confidential information is kept confidential?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No J1: Please give details: The facility has an effective key control procedure to keep the information confidential.
K: Are risk assessments conducted to evaluate policy and procedure effectiveness?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No K1: Please give details: Facility conducts risk assessment once in a year which evaluates effectiveness of every policy and procedure department wise. Last conducted on 07 September 2019.
L: Does the facility have a process to address issues found when conducting risk assessments, including implementation of controls to reduce identified risks?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No L1 Please give details: The facility has an internal system to raise the issue found in risk assessment and to implement the way of reducing it.
M: Does the facility have a policy/code which require labour standards of its own suppliers?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No M1: Please give details: Facility has a supplier selection policy which ensures labour standard of its own supplier.
Land rights	
N: Does the site have all required land rights licenses and permissions (see SMETA Measurement Criteria)?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No N1: Please give details: The facility has all the required licenses and permissions as per legal requirements.
O: Does the site have systems in place to conduct legal due diligence to recognize and apply national laws and practices relating to land title?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No O1: Please give details: The facility has anti-corruption committee, anti-bribery policy to support due diligence in applying national laws and practices relating to land title.
P: Does the site have a written policy and procedures specific to land rights. If yes, does it include any due diligence the company will undertake to obtain free, prior and informed consent, (FPIC) even if national/local law does not require it	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No P1: If yes, how does the company obtain FPIC:
Q: Is there evidence that facility / site compensated the owner/lessor for the land prior to the facility being built or expanded.	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No

	Q1: Please give details: The facility has ownership of the building maintaining all legal procedure and no expansion was conducted.
R: Does the facility demonstrate that alternatives to a specific land acquisition were considered to avoid or minimize adverse impacts?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No R1: Please give details: The facility maintaining all legal procedure and specific land acquisition were considered to avoid or minimize adverse impacts.
S: Is There any evidence of illegal appropriation of land for facility building or expansion of footprint.	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No S1: Please give details:

Non-compliance:	
1. Description of non-compliance: <input type="checkbox"/> NC against ETI/Additional Elements <input type="checkbox"/> NC against Local Law <input type="checkbox"/> NC against customer code: None Observed Local law and/or ETI requirement: Not Applicable Recommended corrective action: None	Objective evidence observed: <i>(where relevant please add photo numbers)</i> None

Observation:	
Description of observation: None Observed Local law or ETI requirement: Not Applicable Comments: None	Objective evidence observed: None

Good Examples observed:	
Description of Good Example (GE): None Observed	Objective evidence observed: None Observed

1: Employment is Freely Chosen

1: Freely Chosen Employment

[\(Click here to return to summary of findings\)](#)

ETI

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 policies which prohibits force labour, and this was also available for review.
- Factory doesn't have system to recruit employees from manpower agency. All employees are directly recruited by the factory. Age verification documents (National ID card copy, educational certificate, nationality certificates) were available in employee personal files and have been verified by the auditors.
- Service book is provided to all employee.
- Overtime is voluntary
- The terms and conditions of employment stated that the workers are free to leave the workplace outside of their working hours.
- Facility does not recruit any prison labour
- Facility did not require any payment for work too I/ P.P.E, ID card, training.
- All the above was confirmed in management and employee interview.

Evidence examined – to support system description (Documents examined & relevant comments. Include renewal/expiry date where appropriate):

Details:

- Facility policy rules and regulations.
- Sampled employee personal files.
- Service book
- Employee handbook

Any other comments: None

A: Is there any evidence of retention of original documents, e.g. passports/ID's	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No A1: If yes, please give details and category of workers affected:
B: Is there any evidence of a loan scheme in operation	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No B1: If yes, please give details and category of worker affected:
C: Is there any evidence of retention of wages /deposits	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No C1: If yes, please give details and category of worker affected:

D: Are there any restrictions on workers' freedom to terminate employment?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No D1: Please describe finding:
E: 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 E1: Please describe finding:
F: Is there evidence of any restrictions on workers' freedoms to leave the site at the end of the work day?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No F1: Please describe finding:
G: Does the site understand the risks of forced / trafficked / bonded labour in its supply chain	<input type="checkbox"/> Yes <input type="checkbox"/> No <input checked="" type="checkbox"/> Not applicable G1: If yes, please give details and category of workers affected:
H: Is the site taking any steps taking to reduce the risk of forced / trafficked labour?	<input type="checkbox"/> Yes <input type="checkbox"/> No H1: Please describe finding: Not Applicable

Non-compliance:	
1. Description of non-compliance: <input type="checkbox"/> NC against ETI <input type="checkbox"/> NC against Local Law: <input type="checkbox"/> NC against customer code: None Observed Local law and/or ETI requirement: Not Applicable Recommended corrective action: None	Objective evidence observed: <i>(where relevant please add photo numbers)</i> None Observed

Observation:	
Description of observation: None Observed Local law or ETI requirement: Not Applicable Comments: None	Objective evidence observed: None

Good Examples observed:	
Description of Good Example (GE): None Observed	Objective evidence observed: None Observed

2: Freedom of Association and Right to Collective Bargaining are Respected

2: Freedom of Association and Right to Collective Bargaining are Respected

[\(Click here to return to summary of findings\)](#)

[\(Click here to return to Key Information\)](#)

ETI

- 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 PC formed by election.
- Participation Committee was formed by election on 25th February 2019.
- There are 24 members in PC (14 members on behalf of workers and 10 members from management side) who arranges meeting in every two months interval as per legal requirement.
- Last meeting of PC was held on 27 October 2019.
- 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 – to support system description (Documents examined & relevant comments. Include renewal/expiry date where appropriate):

Details:

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

Any other comments: None

A: What form of worker representation/union is there on site?

- ☐ Union (name)
- ☒ Worker Committee
- ☐ Other (specify)
- ☐ None

B: Is it a legal requirement to have a union?

- ☐ Yes
- ☒ No

C: Is it a legal requirement to have a worker's committee?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	
D: 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 D1: 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. D2: Is there evidence of free elections? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	
E: 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 E1: Please give details: Facility has a policy regarding Freedom of Association. Regular PC meeting is held, and meeting minutes are posted on notice board.	
F: Name of union and union representative, if applicable:	Not Applicable	F1: Is there evidence of free elections? <input type="checkbox"/> Yes <input type="checkbox"/> No <input checked="" type="checkbox"/> N/A
G: If there is no union, is there a parallel means of consultation with workers e.g. worker committees?	Participation Committee of 24 members (14 from worker side and 10 from management side)	G1: Is there evidence of free elections? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A
H: Are all workers aware of who their representatives are?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	
I: Were worker representatives freely elected?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	I1: Date of last election: 25 th February, 2019
J: Do workers know what topics can be raised with their representatives?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	
K: Were worker representatives/union representatives interviewed?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No If Yes , please state how many: 01	
L: Please describe any evidence that union/worker's committee is effective? Specify date of last meeting; topics covered; how minutes were communicated etc.	1. The election of the participation committee held on 25 th February, 2019. Each meeting of participation committee needs to be conducted within two-month interval as per Bangladesh local law. Last meeting was conducted on 27 October 2019 and the minutes were- <ul style="list-style-type: none"> Attendance bonus increase On time salary pay Provident fund 	

M: Are any workers covered by Collective Bargaining Agreement (CBA)?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	
If Yes , what percentage by trade Union/worker representation	M1: ____% workers covered by Union CBA: Not Applicable	M2: ____% workers covered by worker rep CBA: Not Applicable
M3: If Yes , does the Collective Bargaining Agreement (CBA) include rates of pay?	<input type="checkbox"/> Yes <input type="checkbox"/> No Not Applicable	

Non-compliance:	
1. Description of non-compliance: <input type="checkbox"/> NC against ETI <input type="checkbox"/> NC against Local Law <input type="checkbox"/> NC against customer code: None Observed Local law and/or ETI requirement: Not Applicable Recommended corrective action: None	Objective evidence observed: (where relevant please add photo numbers) None Observed

Observation:	
Description of observation: None observed Local law or ETI requirement: Not Applicable Comments: None	Objective evidence observed: None Observed

Good Examples observed:	
Description of Good Example (GE): None observed	Objective evidence observed: None Observed

3: Working Conditions are Safe and Hygienic**3: Working Conditions are Safe and Hygienic**[\(Click here to return to summary of findings\)](#)[\(Click here to return to Key Information\)](#)**ETI**

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:

- Md. Feroz Kabir Prodhan-GM (Admin, HR & Compliance) looks after Health & Safety issues for the site.
- Potable water was freely available in all areas.
- Enough clean toilets segregated (112 for female and 144 for male) by gender were always available for workers.
- Ventilation, temperature and lighting were adequate for the production processes.
- Facility has formed a H & S committee on 23rd March 2019 with 12 members equally from worker and management side. Minutes of meetings show that there are monthly H&S committee held. Last meeting of the committee held on 24 August 2019.
- The facility did not provide accommodation to the employees.

Facility provide bellow training to the employees on regular basis:

Training Type	Last Date of training	Participant	Trainer Designation	Frequency of training
Orientation Training to factory rules	08 October 2019	76	Welfare Officer	As required
Fire Fighting Training (Internal)	17 October 2019	44	Fireman	Monthly
Fire Fighting Training (External)	10 November 2018 to 12 November, 2018	50	BGMEA	As required
First Aid Training	06 October 2019	28	Nurse.	Monthly
PPE Training	10 September 2019	94	Jr. Officer (HR and Compliance)	As required
Mid-level management Training	15 October 2019	66	Sr. Officer (HR and Compliance)	One in Two month
Health & Safety Training	23 July 2019	50	Welfare Officer	As required

Chemical Handling Training	16 September 2019	16	Supervisor	As required
Electrical Safety Training	11 September 2019	06	Asst. In-charge (Utility)	As required

Evidence examined – to support system description (Documents examined & relevant comments. Include renewal/expiry date where appropriate):

Details:

- 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, 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
- Wastewater test report

Any other comments: None

A: 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 A1: 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.
B: Are the policies included in workers' manuals?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No B1: Please give details: The facility provides workers manual to the workers where all the policies and applicable govt. law are included.
C: Are there any structural additions without required permits/inspections (e.g. floors added)?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No C1: Please give details:
D: Are visitors to the site informed on H&S and provided with personal protective equipment	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No D1: Please give details: All the visitors to the site are informed on H&S and provided with personal protective equipment where necessary.

E: Is a medical room or medical facility provided for workers? If yes, do the room(s) meet legal requirements and is the size/number of rooms suitable for the number of workers.	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No E1: Please give details: The facility has medical facility for the employees. Equipment's are provided as per legal requirements.
F: Is there a doctor or nurse on site or there is easy access to first aider/trained medical aid?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No F1: Please give details: The facility has 02 Doctor, 03 Nurse for medical treatment of the employees.
G: Where the facility provides worker transport - is it fit for purpose, safe, maintained and operated by competent persons e.g. buses and other vehicles?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No G1: Please give details: Doesn't provide any transport support
H: Is secure personal storage space provided for workers in their living space and is fit for purpose?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No H1: Please give details: The facility provides personal storage space for all the employees and they are fit for purposes.
I: 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?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No I1: Please give details: The facility conducts risk assessment once in a year and their people are in control to reduce identified risk.
J: Is the site meeting its legal obligations on environmental requirements including required permits for use and disposal of natural resources?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No J1: Please give details: The facility management has conducted noise and air quality assessment as required by law. Beside that they also have conducted wastewater test from the legal authority. They also have the Environmental clearance certificate from DoE.
K: Is the site meeting its customer requirements on environmental standards, including the use of banned chemicals?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No K1: 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.

Non-compliance:

1. Description of non-compliance:

☒ NC against ETI ☒ NC against Local Law ☐ NC against customer code:

It was noted through facility tour that -Needle guard of 10 % sewing machine was found displaced in ground floor of production building.

Local law and/or ETI requirement

In accordance with working condition are safe and hygienic: 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

Objective evidence observed:

(where relevant please add photo numbers)

1. Through facility tour and Management review

NC photo-1

reasonably practicable, the causes of hazards inherent in the working environment.

In accordance with Bangladesh Labour Rules 2015, Rule 67 (1)

Supply of personal safety materials for the workers: Safety measures and health safety must be arranged in accordance with the directions of this Rule or the regulations of the concerned govt. department for the workers who are employed in the procedures of manufacturing processes that have high risks of physical injury or loss.

Recommended corrective action:

It is recommended that the facility should ensure the use of the mentioned machine safety guards.

Verification Method: Desktop

Action By: Md. Feroz Kabir Prodhan-GM (Admin, HR & Compliance)

Timescale: 30 days

2. Description of non-compliance:

☒ NC against ETI ☒ NC against Local Law ☐ NC against customer code:

It was noted through facility visit that

- No respiratory mask was used by spot removing operator, randomly checked 02 out of 06 in spot removing room located at first and third floor of production building.

-20% employee in overlock section were not using face mask in ground floor, though facility provided adequate PPE to all employees.

Local law and/or ETI requirement:

In accordance with working condition are safe and hygienic: 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.

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, ear muffs, ear plugs, waist belts, aprons etc. and arrange training programs for the workers in using these materials and ensure their usage.

Recommended corrective action:

It is recommended that the facility should ensure the use of the mentioned personal protective equipment's.

Verification Method: Desktop

Action By: Md. Feroz Kabir Prodhan-GM (Admin, HR & Compliance)

Timescale: 30 days

2. Through facility tour and Management review

NC photo-2

3. Description of non-compliance:

☒ NC against ETI ☒ NC against Local Law ☐ NC against customer code:

It was noted through facility tour that partially faded aisles were found in packing area of production building.

- 1 out of 1 aisle marks were partially faded at ground floor.
- 1 out of 1 aisle marks were partially faded at 1st floor.

Local law and/or ETI requirement

In accordance with working condition are safe and hygienic: 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.

In accordance with Bangladesh Labour Law 2006, Section 62 (4)

In every establishment every window, or other exit affording means of escape in case of fire, other than the means of exit in ordinary use, shall be distinctively marked in Bangla and in red letters of adequate size or by some other effective and clearly understood sign.

Recommended corrective action:

It is recommended that the facility should maintain aisle marks in the mentioned areas.

Verification Method: Desktop

Action By: Md. Feroz Kabir Prodhan-GM (Admin, HR & Compliance)

Timescale: 30 days

4. Description of non-compliance:

☒ NC against ETI ☒ NC against Local Law ☐ NC against customer code:

It is noted through the facility visit and management review that, dining room was found unhygienic located outside the premises.

Local law and/or ETI requirement

In accordance with working condition are safe and hygienic: 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.

In accordance with Bangladesh Labour Law 2006, Section 93 (2)

The shelters, rest rooms or lunchrooms provided under sub-section (1) shall be sufficiently lighted and ventilated and shall be maintained in a cool and clean condition.

3. Through facility tour and Management review

NC photo-3

4. Through facility tour and Management review

NC photo-4

Recommended corrective action:

It was recommended that facility should maintain hygienic environment, in the dining area.

Verification Method: Desktop

Action By: Md. Feroz Kabir Prodhan-GM (Admin, HR & Compliance)

Timescale: 30 days

5. Description of non-compliance:

☒ NC against ETI ☒ NC against Local Law ☐ NC against customer code:

It was noted through facility visit that female washroom of 2nd floor was found slippery & unhygienic and no soap was provided.

Local law and/or ETI requirement
In accordance with working condition are safe and hygienic: 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.

In accordance with Bangladesh Labour Law 2006, Section 59 (d)

Latrines and urinals : In every establishment- all such latrines and urinals shall be maintained in a clean and sanitary condition at all times with suitable detergents and disinfectants.

Recommended corrective action:

It is recommended that facility should maintain toilet area in hygienic situation with proper ventilation system.

Verification Method: Desktop

Action By: Md. Feroz Kabir Prodhan-GM (Admin, HR & Compliance)

Timescale: 30 days

5. Through facility tour and Management review

NC photo-5

Observation:
Description of observation:

It was noted through documents (BERC certificate and Apply copy) review, facility visit and management interview that, Facility has 01 generator under 01 captive power Plant (CPP) licenses which was expired. Note that, 1.064 MW captive power plant (CPP) license was expired on 19 November 2019. Also note that facility has already applied to Energy Regulatory Commission authority dated on 19 November 2019, captive power Plant (CPP) licenses.

Local law or ETI requirement:
In accordance with working condition are safe and hygienic: 3.1:
Objective evidence observed:

Through Document review and Management interview

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.

In accordance with Bangladesh Energy Regulatory Commission Act 2003, Section 27, 28 and 30

(1) No person shall engage himself in the following business unless he is empowered by a licence or exempted from having it under this Act or any other Act, such as: -

- (a) power generation;
- (b) energy transmission;
- (c) energy distribution and marketing;
- (d) energy supply; and
- (e) energy storage.

Issuance of licence by the Commission—

Licence may be issued to any person for the following purposes in a procedure prescribed by the Commission, such as: -

- (a) for power generation;
- (b) for energy transmission;
- (c) for distribution and marketing of energy;
- (d) for supply of energy; and
- (e) for storage of energy.

License can be renewed, cancelled and revised by a process prescribed by regulation.

Good Examples observed:

Description of Good Example (GE): Not Applicable

Objective Evidence Observed:
None Observed

4: Child Labour Shall Not Be Used

4: Child Labour Shall Not Be Used

[\(Click here to return to summary of findings\)](#)

[\(Click here to return to Key Information\)](#)

ETI

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 / photo copied national identification card and other documents.
- There was no child or young employee observed in the facility.

Evidence examined – to support system description (Documents examined & relevant comments. Include renewal/expiry date where appropriate):

Details:

- 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

A: Legal age of employment:	18 Years
B: Age of youngest worker found:	18 Years
C: 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
D: % of under 18's at this site (of total workers)	0%

E: Are workers under 18 subject to hazardous work assignments? (Go to clause 3 – Health and Safety)	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No E1: If yes, give details
--	--

Non-compliance:	
1. Description of non-compliance: <input type="checkbox"/> NC against ETI <input type="checkbox"/> NC against Local Law <input type="checkbox"/> NC against customer code: None Observed Local law and/or ETI requirement: Not Applicable Recommended corrective action: None	Objective evidence observed: <i>(where relevant please add photo numbers)</i> None Observed

Observation:	
Description of observation: None Observed Local law or ETI requirement: Not Applicable Comments: None	Objective evidence observed: None Observed

Good Examples observed:	
Description of Good Example (GE): None Observed	Objective Evidence Observed: None Observed

5: Living Wages are paid

5: Living Wages are Paid

[\(Click here to return to summary of findings\)](#)

[\(Click here to return to Key information\)](#)

ETI

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 8000/month for all the employees.
- Time keeping system is Electronic.
- All workers are provided with written and understandable information about their employment conditions in respect to wages before they enter employment and about the particulars of their wages for the pay period concerned each time that they are paid.
- Benefits are paid accordingly, annual leave; maternity benefit to appropriate workers.
- All social insurance payments were passed on to the relevant authorities in a timely manner.
- All employees were paid on 07 working days of each month (Month count start from 21 of each month and end in 20th of month) through Cash.
- 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.
- There are some good practices by the facility; see below GE section
- Salary sheet and time card review September-October, 2019 (Current paid month), April-May, 2019 (Random peak Month) January- February 2019 (Random Month- off peak).

Evidence examined – to support system description (Documents examined & relevant comments. Include renewal/expiry date where appropriate):

Details:

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

Any other comments: None

Non-compliance:	
1. Description of non-compliance: <input type="checkbox"/> NC against ETI <input type="checkbox"/> NC against Local Law <input type="checkbox"/> NC against customer code: Not Applicable Local law and/or ETI requirement: None Observed Recommended corrective action: None	Objective evidence observed: <i>(where relevant please add photo numbers)</i> None Observed

Observation:	
Description of observation: None Observed Local law or ETI requirement: Not Applicable Comments: None	Objective evidence observed: None Observed

Good Examples observed:	
Description of Good Example (GE): <ul style="list-style-type: none"> Facility has provided attendance bonus to all employees as per company policy. Facility arranges annual picnic for all the employees. Facility provides health insurance for all the employees collaboration with Gonoshasthya Kendra named "Health insurance pilot Project for RMG Workers in Bangladesh" 	Objective Evidence Observed: Documents review, management and employees' interview

Summary Information

Criteria	Local Law (Please state legal requirement)	Actual at the Site (Record site results against the law)	Is this part of a Collective Bargaining Agreement?
A: Standard/Contracted work hours: (Maximum legal and actual required working hours excluding overtime, please state if possible per day, week, and month)	Legal maximum: 8 Hour	A1: 8 Hour	A2: <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
B: Overtime hours: (Maximum legal and actual overtime hours, please state if possible per day, week, and month)	Legal maximum: 2 Hours in a day and 12 hours in a week	02 Hour per day 12 Hour per week 52 Hour per month September to October, 2019	B2: <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No

		(Currently paid month) 02 Hour per day 12 Hour per week 48 Hour per month April to May 2019 (Random Peak) 02 Hour per day 12 Hour per week 52 Hour per month January to February 2019 (Random off peak)	
C: Wage for standard/contracted hours: (Minimum legal and actual minimum wage at site, please state if possible per hr, day, week, and month)	Legal minimum: 8000.00 per month	C1: 8000.00 per month	C2: <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
D: Overtime wage: (Minimum legal and actual minimum overtime wage at site, please state if possible per hr, day, week, and month)	Legal minimum: BDT Per hour 200% of basic hourly rate	D1: Per hour 200% of basic hourly rate	D2: <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No

Wages analysis:

Wages analysis: (Click here to return to Key Information)		
A: Were accurate records shown at the first request?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	
A1: If No , why not?	Not Applicable	
B: 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)	90 Samples for September-October 2019 (Currently paid month) 90 Samples for April -May 2019 (Random Peak month) 90 Samples for January-February 2019 (Random off-Peak month)	
C: Are there different legal minimum wage grades? If Yes , please specify all.	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	C1: If Yes , please give details: The Government announced pay structure on 24 th January 2019 for the workers of the Garments Industries with effect from December 2018.

		<table border="1"> <thead> <tr> <th>Grades</th> <th>Basic wage (BDT)</th> <th>House rent (50% × basic) (BDT)</th> <th>Meal (BDT)</th> <th>Medical (BDT)</th> <th>Travel (BDT)</th> <th>Gross monthly wage (BDT)</th> </tr> </thead> <tbody> <tr> <td>Grade 1</td> <td>10938</td> <td>5469</td> <td>900</td> <td>600</td> <td>350</td> <td>18257</td> </tr> <tr> <td>Grade 2</td> <td>9044</td> <td>5422</td> <td>900</td> <td>600</td> <td>350</td> <td>15416</td> </tr> <tr> <td>Grade 3</td> <td>5330</td> <td>2665</td> <td>900</td> <td>600</td> <td>350</td> <td>9845</td> </tr> <tr> <td>Grade 4</td> <td>4998</td> <td>2499</td> <td>900</td> <td>600</td> <td>350</td> <td>9347</td> </tr> <tr> <td>Grade 5</td> <td>4683</td> <td>2342</td> <td>900</td> <td>600</td> <td>350</td> <td>8875</td> </tr> <tr> <td>Grade 6</td> <td>4380</td> <td>2190</td> <td>900</td> <td>600</td> <td>350</td> <td>8420</td> </tr> <tr> <td>Grade 7</td> <td>4100</td> <td>2050</td> <td>900</td> <td>600</td> <td>350</td> <td>8000</td> </tr> <tr> <td>Apprentice</td> <td>2750</td> <td>1375</td> <td>900</td> <td>600</td> <td>350</td> <td>5975</td> </tr> </tbody> </table>	Grades	Basic wage (BDT)	House rent (50% × basic) (BDT)	Meal (BDT)	Medical (BDT)	Travel (BDT)	Gross monthly wage (BDT)	Grade 1	10938	5469	900	600	350	18257	Grade 2	9044	5422	900	600	350	15416	Grade 3	5330	2665	900	600	350	9845	Grade 4	4998	2499	900	600	350	9347	Grade 5	4683	2342	900	600	350	8875	Grade 6	4380	2190	900	600	350	8420	Grade 7	4100	2050	900	600	350	8000	Apprentice	2750	1375	900	600	350	5975
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Grade 7	4100	2050	900	600	350	8000																																																											
Apprentice	2750	1375	900	600	350	5975																																																											
D: 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"/> N/A	D1: If No , please give details:																																																															
E: For the lowest paid production workers, are wages paid for standard/contracted hours (excluding overtime) below or above the legal minimum?	<input type="checkbox"/> Below legal min <input checked="" type="checkbox"/> Meet <input type="checkbox"/> Above	E1: Lowest actual wages found: <i>Note: full time employees and please state hour / week / month etc.</i> Lowest gross salary is 8000.00 BDT in the Month of September to October 2019 (Current paid month). This is minimum legal wage.																																																															
F: Please indicate the breakdown of workforce per earnings:	F1: __NA__% of workforce earning under minimum wage F2: __100__% of workforce earning minimum wage F3: __NA__% of workforce earning above minimum wage																																																																
G: Bonus Scheme found: Please specify details:	Bonus Scheme found: <i>Note: type of employee (e.g. full time, temp, etc.) and please state which units e.g. /hour /week /month etc.</i> Facility management provides attendance bonus as per company policy.																																																																
H: What deductions are required by law e.g. social insurance? Please state all types:	As per section 125 of the Bangladesh Labour Law, 2006, facility may deduct wages for un-authorized absence, for fines, housing facility, advance payments, loans, income tax, provident fund, etc.																																																																
I: Have these deductions been made?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	I1: Please list all deductions that have been made. 1. Deduction is only made for un-authorized absent 2. advance payments 3. For stamp Please describe: As per section 125 of the Bangladesh Labour Law, 2006, facility may deduct																																																															

			wages for un-authorized absence, for fines, housing facility, advance payments, loans, income tax, provident fund, etc. As per Bangladesh Stamp Act 1899 (Amendment 2010) factory may deduct BDT 10 for Government Revenue Stamp. tax, provident fund, etc.
		I2: Please list all deductions that have not been made.	Please describe: 1. loans, 2. income tax, fines, etc.
J: Were appropriate records available to verify hours of work and wages?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No		
K: Were any inconsistencies found? (if yes describe nature)	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	K1: Type <input type="checkbox"/> Poor record keeping <input type="checkbox"/> Isolated incident <input type="checkbox"/> Repeated occurrence:	
L: 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 L1: Please give details: The facility shows all real records which reflect all scenarios.		
M: Is there a defined living wage: <i>This is <u>not normally</u> minimum legal wage. If answered yes, please state amount and source of info:</i> Please see SMETA Best Practice Guidance and Measurement Criteria.	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No M1: Please specify amount/time: Facility did not define living wages as it is not required by law. However, facility is providing the minimum wage as per published Government Minimum Wages on 24 th January 2019.		
M2: 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 Other – please give details:		
N: Are there periodic reviews of wages? If Yes give details (include whether there is consideration	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No N1: Please give details: There are no periodic reviews of wages.		

to basic needs of workers plus discretionary income).	
O: Are workers paid in a timely manner in line with local law?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
P: Is there evidence that equal rates are being paid for equal work:	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No P1: Please give details: Through payroll records review and employee's interviews' interview, it was confirmed that equal rates are being paid for equal work.
Q: How are workers paid:	<input checked="" type="checkbox"/> Cash <input type="checkbox"/> Cheque <input type="checkbox"/> Bank Transfer <input type="checkbox"/> Other Q1: If other, please explain:

6: Working Hours are not Excessive

6: Working Hours are not Excessive

[\(Click here to return to summary of findings\)](#)

[\(Click here to return to Key Information\)](#)

ETI

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:

- this is allowed by national law;
- this is allowed by a collective agreement freely negotiated with a workers' organisation representing a significant portion of the workforce;
- appropriate safeguards are taken to protect the workers' health and safety; and
- The employer can demonstrate that exceptional circumstances apply such as unexpected production peaks, accidents or emergencies.

6.6 Workers shall be provided with at least one day off in every 7-day period or, where allowed by national law, 2 days off in every 14-day period.

Current Systems and Evidence Examined

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

Current systems:

- Through employees' interview, overtime is voluntary.
- Time keeping system is Electronic.
- All overtime is compensated at a premium rate for all employees.
- Facility remains closed on Friday.
- Salary sheet and time card review from September-October 2019 (Current paid month), April-May 2019 (Random Month- peak) January-February 2019 (Random Month- Off Peak).

Evidence examined – to support system description (Documents examined & relevant comments. Include renewal/expiry date where appropriate):

Details:

- Employees' interviews
- Management interview

- local laws
- Facility policy on working hours
- Salary sheet
- Payslip
- Job card
- Attendance register
- Production record

Any other comments: None

Non-compliance:

1. Description of non-compliance:

☐ NC against ETI ☐ NC against Local Law ☐ NC against customer
code: None Observed

Local law and/or ETI requirement: Not Applicable

Recommended corrective action: None

Objective evidence observed:

(where relevant please add photo numbers)

None Observed

Observation:

Description of observation: None Observed

Local law or ETI requirement: Not Applicable

Comments: None

Objective evidence observed:

None Observed

Good Examples observed:

Description of Good Example (GE): None Observed

Objective Evidence Observed:

None Observed

Working hours' analysis

Working hours' analysis

Please include time e.g. hour/week/month
(Go back to Key information)

Systems & Processes

A. What timekeeping systems are used: time card etc.

Describe: Electronic time keeping thorough face detection

B: Is sample size same as in wages section?	<input type="checkbox"/> Yes <input type="checkbox"/> No B1: If no, please give details					
C: Are standard/contracted working hours defined in all contracts/employment agreements?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No		C1: If NO, please give details including % and which type of workers do NOT have standard hours defined in contracts/employment agreements. Please give details:			
D: Are there any other types of contracts/employment agreements used?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No		D1: If YES, please complete as appropriate:			
			<input type="checkbox"/> 0 hrs	<input type="checkbox"/> Part time	<input type="checkbox"/> Variable hrs	<input type="checkbox"/> Other
			If "Other", Please define:			
E. Do any standard/contracted working hours defined in contracts/employment agreements exceed 48 hours per week?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No		E1: If yes , please detail hours, %, types of workers affected and frequency Please give details:			
F: Are workers provided with at least 1 day off in every 7-day-period, or 2 in 14-day-period?	F2: Please select all applicable: <input checked="" type="checkbox"/> 1 in 7 days <input type="checkbox"/> 2 in 14 days <input type="checkbox"/> No If 'No', please explain:		F3: 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 Days					
Standard/Contracted Hours worked						
G: Were standard working hours over 48 hours per week found?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No		G1: If yes, % of workers & frequency:			
	<input checked="" type="checkbox"/> Yes		H1: If yes, please give details:			

H: Any local waivers/local law or permissions which allow averaging/annualised hours for this site?	<input type="checkbox"/> No	Circular dated 14 th October 2019 from labour ministry: Facility can do 04 (Four) hours overtime in a day with the consent of the employees up to 06 (Six) months starting from 17 October 2019 to 16 th April 2020 upon fulfilling the below conditions: •OT should be paid at the rate of 200% of regular WH. •Overtime should be voluntary. •Weekly day off to be ensured.
Overtime Hours worked		
I: Actual overtime hours worked in sample (State per day/week/month)	Highest OT hours: 02 Hour per day 12 Hour per week 52 Hour per month September-October 2019 (Currently paid month) 02 Hour per day 12 Hour per week 48 Hour per month April-May 2019 (Random Peak) 02 Hour per day 12 Hour per week 52 Hour per month January-February 2019 (Random off peak)	
J: Combined hours (standard or contracted + overtime hours = total) over 60 found? Please give details:	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	
K: Approximate percentage of total workers on highest overtime hours:	__80__%	
L: Is overtime voluntary?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> Conflicting Information	L1: Please detail evidence e.g. Wording of contract / employment agreement / handbook / worker interviews / refusal arrangements: 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 Premiums		
M: Are the correct legal overtime premiums paid?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A – there is no legal requirement to OT premium	M1: Please give details of normal day overtime premium as a % of standard wages: 200% of Standard wages.

N: Is overtime paid at a premium?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	<i>N1: If yes, please describe % of workers & frequency:</i> Overtime payments for employees are as per legal requirement	
O: If the site pays less than 125% OT premium and this is allowed under local law, are there other considerations? Please complete the boxes where relevant.	<input type="checkbox"/> No <input type="checkbox"/> Consolidated pay (May be standard wages above minimum legal wage, with no/low overtime premium) <input type="checkbox"/> Collective Bargaining agreements <input type="checkbox"/> Other	O1: Please explain any checked boxes above e.g. detail of consolidated pay / CBA or Other	
	Not Applicable		
	P: If more than 60 total hours per week and this is legally allowed, are there other considerations? Please complete the boxes where relevant.		
<input type="checkbox"/> Overtime is voluntary <input type="checkbox"/> Onsite Collective bargaining allows 60+ hours/week <input type="checkbox"/> Safeguards are in place to protect worker's health and safety <input type="checkbox"/> Site can demonstrate exceptional circumstances <input type="checkbox"/> Other reasons (please specify)			P1: Please explain any checked boxes above e.g. detail of consolidated pay / CBA or other:
Not Applicable			
Q: Is there evidence that overtime hours are being used for extended periods to make up for labour shortages or increased order volumes?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No Q1: If yes, please give details:		
R: If sufficient workers cannot be hired, are new working time arrangements explored to ensure that overtime is the exception rather than the rule.	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No		

7: No Discrimination is practiced

7: No Discrimination is Practiced

[\(Click here to return to summary of findings\)](#)

ETI

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 – to support system description (Documents examined & relevant comments. Include renewal/expiry date where appropriate):

Details:

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

Any other comments: None

A: Gender breakdown of Management + Supervisors (Include as one combined group)	A1: Male: __95__ % A2: Female __5__ %
B: Number of women who are in skilled or technical roles e.g. where specific qualifications are needed i.e. machine engineer / laboratory analyst:	0 No such women are present in this facility.
C: 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"/> Compensation <input type="checkbox"/> Access to training <input type="checkbox"/> Promotion <input type="checkbox"/> Termination or retirement

	<input checked="" type="checkbox"/> No evidence of discrimination found C1: Please give details: No such evidence found.
--	---

Professional Development	
A: What type of training and development are available for workers?	Orientation Training First Aid Training PPE Training Chemical Handling Training Fire Training Health & Safety training

B: Are HR decisions e.g. promotion, training, compensation based on objective, transparent criteria?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No If no, please give details:
--	---

Non-compliance:	
1. Description of non-compliance: <input type="checkbox"/> NC against ETI <input type="checkbox"/> NC against Local Law <input type="checkbox"/> NC against customer code: None Observed Local law and/or ETI requirement: Not Applicable Recommended corrective action: None	Objective evidence observed: <i>(where relevant please add photo numbers)</i> None Observed

Observation:	
Description of observation: None Observed Local law or ETI requirement: Not Applicable Comments: None	Objective evidence observed: None Observed

Good Examples observed:	
Description of Good Example (GE): None Observed	Objective Evidence Observed: None Observed

8: Regular Employment Is Provided

8: Regular Employment Is Provided

[\(Click here to return to summary of findings\)](#)

[\(Click here to return to Key Information\)](#)

ETI

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 – to support system description (Documents examined & relevant comments. Include renewal/expiry date where appropriate):

Details:

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

Any other comments: None

Non-compliance:	
<p>1. Description of non-compliance:</p> <p><input checked="" type="checkbox"/> NC against ETI <input checked="" type="checkbox"/> NC against Local Law <input type="checkbox"/> NC against customer code:</p> <p>It was noted through employee ID card review, management & employee interview that 20% of employee ID cards were not updated, in 1st floor, 2nd floor & 3rd floor of production building as per legally prescribed format (i.e. permanent address, NID no., blood group were missing)</p> <p>Local law and/or ETI requirement:</p> <p><u>In Accordance with Regular employment is provided 8.1</u></p> <p>To every extent possible work performed must be on the basis of recognised employment relationship established through national law and practice.</p> <p><u>In Accordance with Bangladesh Labor Rule 2015 Rule- 19(5)</u></p> <p>Each owner will provide identity card with the photograph to each worker working in the firm at the costs of the owner as per Form-6.</p> <p>Recommended corrective action: It is recommended that facility should provide the updated ID card to all the workers as per law</p> <p>Verification Method: Desktop</p> <p>Action By: Md. Feroz Kabir Prodhan-GM (Admin, HR & Compliance)</p> <p>Timescale: 30 days</p>	<p>Objective evidence observed: (where relevant please add photo numbers)</p> <p>1. Through facility tour and Management review</p> <p>NC photo-6</p>

Observation:	
<p>Description of observation: None Observed</p> <p>Local law or ETI requirement: Not Applicable</p> <p>Comments: None</p>	<p>Objective evidence observed:</p> <p>None Observed</p>

Good Examples observed:	
<p>Description of Good Example (GE): None Observed</p>	<p>Objective Evidence Observed:</p> <p>None Observed</p>

Responsible Recruitment

All Workers	
<p>A: Were all workers presented with terms of employment at the time of recruitment, did they</p>	<p><input checked="" type="checkbox"/> Terms & Conditions presented</p> <p><input checked="" type="checkbox"/> Understood by workers</p> <p><input checked="" type="checkbox"/> Same as actual conditions</p>

understand them and are they same as current conditions?	A1: If any are unchecked, please describe finding and specific category(ies) of workers affected:	
B: Did workers' pay any fees, taxes, deposits or bonds for the purpose of recruitment/placement?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No B1: If yes, please describe details and specific category(ies) of workers affected:	
C: If yes, check all that apply:	<input type="checkbox"/> Recruitment / hiring fees <input type="checkbox"/> Service fees <input type="checkbox"/> Application costs <input type="checkbox"/> Recommendation fees <input type="checkbox"/> Placement fees <input type="checkbox"/> Administrative, overhead or processing fees <input type="checkbox"/> Skills tests <input type="checkbox"/> Certifications <input type="checkbox"/> Medical screenings <input type="checkbox"/> Passports/ID's <input type="checkbox"/> Work / resident permits <input type="checkbox"/> Birth certificates <input type="checkbox"/> Police clearance fees <input type="checkbox"/> Any transportation and lodging costs after employment offer <input type="checkbox"/> Any transport costs between work place and home <input type="checkbox"/> Any relocation costs after commencement of employment <input type="checkbox"/> New hire training / orientation fees <input type="checkbox"/> Medical exam fees <input type="checkbox"/> Deposit bonds or other deposits <input type="checkbox"/> Any other non-monetary assets <input type="checkbox"/> Other – C1: If other, please give details:	
D: If any checked, give details:	Not Applicable	

Migrant Workers: <i>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</i>		
A: Type of work undertaken by migrant workers:	There are no migrant workers in the facility.	
B: Please give details about recruitment agencies for migrant workers:	B1: Total number of (in country recruitment agencies) used: Not Applicable B2: Total number of (outside of local country) recruitment agencies used: Not Applicable	
C: 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 type="checkbox"/> No C1: Please describe finding: Not Applicable	C2: Observations: Not Applicable

<p>D: Are Any migrant workers in skilled, technical, or management roles</p> <p><i>Migrant Workers (this should include all migrant workers including permanent workers, temporary and/or seasonal workers)</i></p>	<p><input type="checkbox"/> Yes</p> <p><input checked="" type="checkbox"/> No</p> <p>D1: If yes, number and example of roles:</p>
---	---

NON-EMPLOYEE WORKERS

Recruitment Fees:	
A: Are there any fees?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
B: If yes, check all that apply:	<div style="list-style-type: none;"> <input type="checkbox"/> Recruitment / hiring fees <input type="checkbox"/> Service fees <input type="checkbox"/> Application costs <input type="checkbox"/> Recommendation fees <input type="checkbox"/> Placement fees <input type="checkbox"/> Administrative, overhead or processing fees <input type="checkbox"/> Skills tests <input type="checkbox"/> Certifications <input type="checkbox"/> Medical screenings <input type="checkbox"/> Passports/ID's <input type="checkbox"/> Work / resident permits <input type="checkbox"/> Birth certificates <input type="checkbox"/> Police clearance fees <input type="checkbox"/> Any transportation and lodging costs after employment offer <input type="checkbox"/> Any transport costs between work place and home <input type="checkbox"/> Any relocation costs after commencement of employment <input type="checkbox"/> New hire training / orientation fees <input type="checkbox"/> Medical exam fees <input type="checkbox"/> Deposit bonds or other deposits <input type="checkbox"/> Any other non-monetary assets <input type="checkbox"/> Other </div> <p>B1 – If other, please give details: Not Applicable</p>
C: If any checked, give details:	Not Applicable

Agency Workers (if applicable)	
<i>(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.)</i>	
A: Number of agencies used (average):	A1: Names if available: Not Applicable
B: Were agency workers' age / pay / hours included within the scope of this audit?	<input type="checkbox"/> Yes <input type="checkbox"/> No Not Applicable

C: Were sufficient documents for agency workers available for review?	<input type="checkbox"/> Yes <input type="checkbox"/> No Not Applicable
D: Is there a legal contract / agreement with all agencies?	<input type="checkbox"/> Yes <input type="checkbox"/> No D1: Please give details: Not Applicable
E: Does the site have a system for checking labour standards of agencies? If yes, please give details.	<input type="checkbox"/> Yes <input type="checkbox"/> No E1: Please give details: Not Applicable

Contractors: <i>Note: 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,</i>	
A: Any contractors on site?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No A1: If yes, how many contractors are present, please give details:
B: If Yes , how many workers supplied by contractors?	Not Applicable
C: Do all contractor workers understand their terms of employment?	<input type="checkbox"/> Yes <input type="checkbox"/> No C1: Please describe finding: Not Applicable
D: If Yes , please give evidence for contractor workers being paid per law:	Not Applicable

8A: Sub-Contracting and Homeworking:

8A: Sub-Contracting and Homeworking

[\(Click here to return to summary of findings\)](#)

[\(Click here to return to Key Information\)](#)

8A.1 There should be no sub-contracting unless previously agreed with the main client.

8A.2 Systems and processes should be in place to manage sub-contracting, homeworking and external processing.

Note to auditor on homeworking:

Report on whether it is direct or via agents. How many workers, relationship with site and what control systems are in place.

Note to auditor on subcontracting: auditor should use this section for subcontractors of part made or wholly made finished goods, this section should not be used for raw material manufacturers unless instructed otherwise by customers

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 Home-working was used by this facility.

Evidence examined – to support system description (Documents examined & relevant comments. Include renewal/expiry date where appropriate):

If any processes are sub-contracted – please populate below boxes

Not Applicable

Details:

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

Non-compliance:

1. Description of non-compliance:

- ☐ NC against ETI/Additional Elements ☐ NC against Local Law
☐ NC against customer code: None observed

Local law and/or ETI /Additional Elements requirement: Not Applicable

Recommended corrective action: None

Objective evidence observed:

(where relevant please add photo numbers)

None observed

Observation:

Description of observation: None observed

Local law or ETI/Additional elements requirement: Not Applicable

Comments: None

Objective evidence observed: None observed

Good Examples observed:

Description of Good Example (GE): None observed

Objective Evidence Observed: None observed

Summary of sub-contracting – if applicable

☒ Not Applicable please x

A: Has the auditor made a simple calculation to compare capacity with workers' work load in order to identify possible unrecorded work or undeclared sub-contracting

☐ Yes
☐ No
A1: Please describe:

B: If sub-contractors are used, is there evidence this has been agreed with the main client?

☐ Yes
☐ No
B1: If **Yes**, summarise details:

C: Number of sub-contractors/agents used:

D: Is there a site policy on sub-contracting?

☐ Yes
☐ No
D1: If **Yes**, summarise details:

E: What checks are in place to ensure no child labour is being used and work is safe?

Summary of homeworking – if applicable

☒ Not Applicable please x

A: If homeworking is being used, is there evidence this has been agreed with the main client?

☐ Yes
☐ No
A1: If **Yes**, summarise details:

B: Number of homeworkers

B1: Male:

B2: Female:

Total:

C: Are homeworkers employed direct or through agents?

☐ Directly
☐ Through Agents

C1: If through agents, number of agents:

D: Is there a site policy on homeworking?

☐ Yes
☐ No

E: How does the site ensure worker hours and pay meet local laws for homeworkers?	
F: What processes are carried out by homeworkers?	
G: Do any contracts exist for homeworkers?	<input type="checkbox"/> Yes <input type="checkbox"/> No G1: Please give details:
H: Are full records of homeworkers available at the site?	<input type="checkbox"/> Yes <input type="checkbox"/> No

9: No Harsh or Inhumane Treatment is allowed

9: No Harsh or Inhumane Treatment is Allowed

[\(Click here to return to summary of findings\)](#)

ETI

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

Additional elements:

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

A: Are there published, anonymous and/or open channels available for reporting any violations of Labour standards and H&S or any other grievances to a 3 rd party?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No A1: Please give details: Facility has an open channel for reporting any violations of labour standard which is posted in the notice board. The facility has a designated channel to conduct grievance handling procedure.
B: If Yes , are workers aware of these channels and have access? Please give details.	All the workers are aware of these channels and have full access to these channels. Facility also has a grievance handling procedure posted with every complaint box.
C: If yes, what type of mechanism is used e.g. hotline, whistle blowing mechanism, comment box etc. Please give details.	Facility has posted hotline & provided grievance box in all section
D: Which of the following groups is there a grievance mechanism in place for?	<input checked="" type="checkbox"/> Workers <input type="checkbox"/> Communities <input type="checkbox"/> Suppliers <input type="checkbox"/> Other D1: Please give details: Workers are free to provide any grievance through different channel (Compliant box, Hot line number)
E: Are there any open disputes?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No E1: If yes, please give details:
F: 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)	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No F1: If no, please give details
G: Is there a published and transparent disciplinary procedure?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No G1: If no, please explain
H: If yes, are workers aware of these the disciplinary procedure?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No H1: If no, please give details

I: Does the disciplinary procedure allow for deductions from wages (fines) for disciplinary purposes (see wages section)?

☐ Yes
☒ No

II: If yes, please give details

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

Evidence examined – to support system description (Documents examined & relevant comments. Include renewal/expiry date where appropriate):

Details:

- Anti-Harassment policy
- Grievance box open register
- Orientation training record

Any other comments: None

Non-compliance:

1. Description of non-compliance:

☐ NC against ETI ☐ NC against Local Law ☐ NC against customer
code: None Observed

Local law and/or ETI requirement: Not Applicable

Recommended corrective action: None

Objective evidence observed:

(where relevant please add photo numbers)

None Observed

Observation:

Description of observation: None Observed

Local law or ETI requirement: Not Applicable

Comments: None

Objective evidence observed:

None Observed

Good Examples observed:

Description of Good Example (GE): None Observed

Objective Evidence Observed:
None Observed

10 A: Entitlement to Work and Immigration

10. Other Issue areas: 10A: Entitlement to Work and Immigration

[\(Click here to return to NC-table\)](#)

Additional Elements

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

10A.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 factory.
- The youngest age was 18 years old.

Evidence examined – to support system description (Documents examined & relevant comments. Include renewal/expiry date where appropriate):

Details:

- Factory recruitment policy.
- Employees personal file.

Any other comments: None

Non-compliance:

1. Description of non-compliance:

- ☐ NC against ETI/Additional Elements ☐ NC against Local Law
☐ NC against customer code: None Observed

Local law and/or ETI /Additional Elements requirement: Not Applicable

Recommended corrective action: None

Objective evidence observed:

(where relevant please add photo numbers)
None Observed

Observation:

Description of observation: None Observed

Local law or ETI/Additional Elements requirement: Not Applicable

Comments: None

Objective evidence observed:

None Observed

Good examples observed:

Description of Good Example (GE): None Observed

Objective Evidence Observed: None Observed

10 B 2: Environment 2-pillar

10. Other issue areas 10B2: Environment 2-Pillar

[\(Click here to return to summary of findings\)](#)

To be completed for a 2-Pillar SMETA Audit, and remove the following page which is 10B4 environment 4 pillar

10B2.1 Suppliers must comply with the requirements of local and international laws and regulations including having necessary permits.

10B2.2 The supplier should be aware of and comply with their end clients' environmental requirements. Note for auditors and readers, this is not a full environmental assessment but a check on basic systems and management approach.

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 prepared an environmental policy and procedure.
- The facility disposes all solid waste in a segregated area with proper level and identification.
- The facility also provides awareness training to all related personnel.
- Solid waste has been handover to licensee vendor as per local legislation who recycled that wastage.
- Air emission, wastewater and Noise level test was conducted by the facility and all the parameter of those report was found within the acceptable limit.
- Facility has the Environmental Clearance certificate from DoE.

Evidence examined – to support system description (Documents examined & relevant comments. Include renewal/expiry date where appropriate):

Details:

- Environment policy
- Wastage management policy.
- Air emission, Wastewater and noise level test reports

Any other comments: None

Non-compliance:

1. Description of non-compliance:

☐ NC against ETI/Additional Elements

☐ NC against Local Law

None Observed

Local law and/or ETI/Additional Elements requirement: Not Applicable

Recommended corrective action: None

Objective evidence observed:

(where relevant please add photo numbers)

None Observed

Observation:

Description of observation: None Observed

Local law or ETI/additional elements requirement: Not Applicable

Objective evidence observed:

Comments: None	None Observed
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Good examples observed:	
Description of Good Example (GE): None Observed	Objective Evidence Observed: None Observed

Appendix 1

<p>Comparison between ETI code and Customer's Supplier's Code. Any areas where a site complies with the Customer's Supplier Code, but not with the ETI code are discussed at the audit close out meeting and recorded on the CAPR. Note to supplier "for this customer it may not be necessary to complete corrective actions where NC's DO NOT meet the ETI code, but DO meet your customer's code. If the audit is shared with other customers who work to the ETI code or an equivalent international standard, corrective actions will be necessary."</p> <p><input checked="" type="checkbox"/> Not Applicable please x</p>	
<p>NOTE: The provisions of the ETI base Code constitute minimum and not maximum standards, and this code should not be used to prevent companies from exceeding these standards. Companies applying the ETI Base Code are expected to comply with national and other applicable law and, where the provisions of law and the ETI Base Code address the same subject, to apply that provision which affords the greater protection.</p>	<p>Instruction to Audit Company: fill in the relevant clauses from the Customer Supplier Code - where applicable.</p>
ETI Code / Additional Elements	Customer's Supplier Code equivalent
0.A. Universal Rights covering UNGP	0.A. Universal Rights covering UNGP
<p>0.A. Guidance for Observations</p> <p>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.</p> <p>0.A.2 Businesses should have a designated person responsible for implementing standards concerning Human rights</p> <p>0.A.3 Businesses shall identify their stakeholders and salient issues.</p> <p>0.A.4 Businesses shall measure their direct, indirect, and potential impacts on stakeholders (rights holders) human rights.</p> <p>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.</p>	

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.	
0.B. Management Systems & Code Implementation	0.B. Management Systems & Code Implementation
<p>0.1 Suppliers are expected to implement and maintain systems for delivering compliance to this Code.</p> <p>0.2 Suppliers shall appoint a senior member of management who shall be responsible for compliance with the Code.</p> <p>0.3 Suppliers are expected to communicate this Code to all employees.</p> <p>0.4 Suppliers should communicate this code to their own suppliers and, where reasonably practicable, extend the principles of this Ethical Code through their supply chain.</p>	
ETI 1. Forced Labour	ETI 1. Forced Labour
<p>1.1 There is no forced, bonded or involuntary prison labour.</p> <p>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.</p>	
ETI 2. Freedom of association and the right to collective bargaining are respected	ETI 2. Freedom of association and the right to collective bargaining are respected
<p>2.1 Workers, without distinction, have the right to join or form trade unions of their own choosing and to bargain collectively.</p> <p>2.2 The employer adopts an open attitude towards the activities of trade unions and their organisational activities.</p> <p>2.3 Workers' representatives are not discriminated against and have access to carry out their representative functions in the workplace.</p> <p>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.</p>	
ETI 3. Working conditions are safe and hygienic	ETI 3. Working conditions are safe and hygienic
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	

<p>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.</p> <p>3.2 Workers shall receive regular and recorded Health & Safety training, and such training shall be repeated for new or reassigned workers.</p> <p>3.3 Access to clean toilet facilities and to potable water, and, if appropriate, sanitary facilities for food storage shall be provided.</p> <p>3.4 Accommodation, where provided, shall be clean, safe, and meet the basic needs of the workers.</p> <p>3.5 The company observing the code shall assign responsibility for Health & Safety to a senior management representative.</p>	
ETI 4. Child labour shall not be used	ETI 4. Child labour shall not be used
<p>4.1 There shall be no new recruitment of child labour.</p> <p>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.</p> <p>4.3 Children and young persons under 18 shall not be employed at night or in hazardous conditions.</p> <p>4.4 These policies and procedures shall conform to the provisions of the relevant ILO Standards.</p>	
ETI 5. Living wages are paid	ETI 5. Living wages are paid
<p>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.</p> <p>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.</p> <p>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.</p>	
ETI 6. Working Hours are not excessive	ETI 6. Working Hours are not excessive

<p>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.</p> <p>6.2 Working hours, excluding overtime, shall be defined by contract, and shall not exceed 48 hours per week.</p> <p>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.</p> <p>6.4 The total hours worked in any 7 day period shall not exceed 60 hours, except where covered by clause 6.5 below.</p> <p>6.5 Working hours may exceed 60 hours in any 7 day period only in exceptional circumstances where all of the following are met:</p> <ul style="list-style-type: none"> – this is allowed by national law; – this is allowed by a collective agreement freely negotiated with a workers' organisation representing a significant portion of the workforce; – appropriate safeguards are taken to protect the workers' health and safety; and – The employer can demonstrate that exceptional circumstances apply such as unexpected production peaks, accidents or emergencies. <p>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.</p>	
ETI 7. No discrimination is practised	ETI 7. No discrimination is practised
<p>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.</p>	
ETI 8. Regular employment is provided	ETI 8. Regular employment is provided













<p>8.1 To every extent possible work performed must be on the basis of recognised employment relationship established through national law and practice.</p> <p>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.</p> <p>Additional Elements: Responsible Recruitment</p> <p>8.3 Suppliers have full understanding of the entire recruitment process and assess all labour recruiters and intermediaries against legal and/or ethical requirements.</p> <p>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.</p> <p>8.5 Employment agencies must only supply workers registered with them.</p> <p>8.6 Workers pay no recruitment fee at any stage of the recruitment process.</p> <p>8.7 Worker contracts accurately reflect the agreed payment and terms in the recruitment process and are understood and signed by workers.</p>	
8A: Sub-Contracting and Homeworking	8A: Sub-Contracting and Homeworking
<p>8A.1 There should be no sub-contracting unless previously agreed with the main client.</p> <p>8A.2 Systems and processes should be in place to manage sub-contracting, homeworking and external processing.</p>	
ETI 9. No harsh or inhumane treatment is allowed	ETI 9. No harsh or inhumane treatment is allowed
<p>9.1 Physical abuse or discipline, the threat of physical abuse, sexual or other harassment and verbal abuse or other forms of intimidation shall be prohibited.</p> <p>Additional elements:</p> <p>9.2 companies should provide access to a confidential grievance mechanism for all workers</p>	

10. Other Issue areas: 10A: Entitlement to Work and Immigration	
Additional Elements 10A.1 Only workers with a legal right to work shall be employed or used by the supplier. 10A.2 All workers, including employment agency staff, must be validated by the supplier for their legal right to work by reviewing original documentation.	
10. Other issue areas 10B2: Environment 2–Pillar	
10B2.1 Suppliers must comply with the requirements of local and international laws and regulations including having necessary permits. 10B2.2 The supplier should be aware of and comply with their end clients' environmental requirements. <i>Note for auditors and readers, this is not a full environmental assessment but a check on basic systems and management approach.</i>	

SMETA Extra Sections for 4 Pillar Audit:	SMETA Extra Sections for 4 Pillar Audit:
Environment Section	Environment Section
B.4. Compliance Requirements 10B4.1 Businesses as a minimum must meet the requirements of local and national laws related to environmental standards. 10B4.2 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. 10B4.3 Businesses shall be aware of their end client's environmental standards/code requirements 10B4.4 Suppliers should have an environmental policy, covering their environmental impact, which is communicated to all appropriate parties, including its own suppliers. 10B4.5 Suppliers shall be aware of the significant environmental impact of their site and its processes. 10B4.6 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). 10B4.7 Businesses shall make continuous improvements in their environmental performance. 10B4.8 Businesses shall have available for review any environmental certifications or any	













<p>environmental management systems documentation</p> <p>10B4.9 Businesses should have a nominated individual responsible for co-ordinating the site's efforts to improve environmental performance.</p> <p>B4. Guidance for Observations</p> <p>10B4.10 Suppliers should have completed the appropriate section of the SAQ and made it available to the auditor.</p> <p>10B4.11 Has the site recently been subject to (or pending) any fines/prosecutions for noncompliance to environmental regulations.</p>	
<p>Business Practices Section</p>	
<p>10C. Compliance Requirements</p> <p>10C.1 Businesses shall conduct their business ethically without bribery, corruption, or any type of fraudulent Business Practice.</p> <p>10C.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.</p> <p>10C.3 Where it is a legal requirement, businesses must be able to demonstrate that they comply with all fiscal legislative requirements.</p> <p>10C.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.</p> <p>10C.5 Businesses should have a Business Ethics policy, covering bribery, corruption, or any type of fraudulent Business Practice,</p> <p>10C.6 Businesses should have a designated person responsible for implementing standards concerning Business Ethics</p> <p>10C.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.</p> <p>10C. Guidance for Observations</p> <p>10C.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.</p> <p>10C.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.</p>	





Photo Form

		
Facility gate	Facility name	Facility building
		
Security check post	Staircase	No smoking sign
		
Assembly point	Evacuation plan	Chemical store
		
Jacquard section	Linking section	Trimming and mending section

		
Washing section	Sewing section	Packing section
		
Iron section	Aisles Mark	Electrical Distribution Board
		
Dining	Canteen	Fire door
		
Fire equipment	Smoke detector	Fire alarm

		
Exit sign	Emergency light	Fire alarm switch
		
Public Address system	Fire hose cabinet	Hose pipe checked
		
Roof top	Spot removing room	Eye wash station
		
Fire extinguisher	Notice board	Pure drinking water area

		
First aid box	Toilet area	Complaint box
		
First Aider	Fire fighter	Electronic face detection
		
Medical room	Child care room	Fire pump room
		
Fire control panel	Sub station	Compressor

		
Boiler	Transformer	Generator
		
Wastage Store		

NC Photo:

		
Needle guards were found displaced	Worker using dust mask instead of respiratory mask	Aisles mark found faded.
		
Dining room found unhygienic	Soap missing and slippery bathroom	Information on the back-side pf id card was missing

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End of report.



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