
Auditee :	AKM Knit Wear Ltd.
Audit Date From :	14/06/2020
Audit Date To :	14/06/2020
Expiry Date of the Audit :	Please refer to the producer profile in the amfori BSCI platform
Auditing Company :	TUEV SUD
Auditor's Name(s) :	Farjana Nahar, Fuara Sultana(Lead), A F M Amin Sharif, Md. Tazul Islam
Auditing Branch (if applicable) :	TUV SUD Bangladesh (Pvt.) Ltd.



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Rating Definitions



Rating	A combination of ratings per Performance Area where:	Consequence																																							
A Very Good	<ul style="list-style-type: none">Minimum 7 Performance Areas rated ANo Performance Areas rated C, D or E These are three examples: <table><tr><td>A</td><td>A</td><td>A</td><td>A</td><td>A</td><td>A</td><td>A</td><td>A</td><td>A</td><td>A</td><td>A</td><td>A</td><td>A</td></tr><tr><td>A</td><td>A</td><td>A</td><td>A</td><td>A</td><td>A</td><td>A</td><td>A</td><td>A</td><td>A</td><td>B</td><td>B</td><td>B</td></tr><tr><td>A</td><td>A</td><td>A</td><td>A</td><td>A</td><td>A</td><td>A</td><td>B</td><td>B</td><td>B</td><td>B</td><td>B</td><td>B</td></tr></table>	A	A	A	A	A	A	A	A	A	A	A	A	A	A	A	A	A	A	A	A	A	A	A	B	B	B	A	A	A	A	A	A	A	B	B	B	B	B	B	The auditee has the level of maturity to maintain its improvement process without the need for a follow-up audit.
A	A	A	A	A	A	A	A	A	A	A	A	A																													
A	A	A	A	A	A	A	A	A	A	B	B	B																													
A	A	A	A	A	A	A	B	B	B	B	B	B																													
B Good	<ul style="list-style-type: none">Maximum 3 Performance Areas rated CNo Performance Areas rated D or E These are three examples: <table><tr><td>A</td><td>A</td><td>A</td><td>A</td><td>A</td><td>A</td><td>B</td><td>B</td><td>B</td><td>B</td><td>B</td><td>B</td><td>B</td></tr><tr><td>A</td><td>A</td><td>A</td><td>A</td><td>A</td><td>B</td><td>B</td><td>B</td><td>B</td><td>B</td><td>B</td><td>B</td><td>C</td></tr><tr><td>B</td><td>B</td><td>B</td><td>B</td><td>B</td><td>B</td><td>B</td><td>B</td><td>B</td><td>B</td><td>C</td><td>C</td><td>C</td></tr></table>	A	A	A	A	A	A	B	B	B	B	B	B	B	A	A	A	A	A	B	B	B	B	B	B	B	C	B	B	B	B	B	B	B	B	B	B	C	C	C	The auditee has the level of maturity to maintain its improvement process without the need for a follow-up audit.
A	A	A	A	A	A	B	B	B	B	B	B	B																													
A	A	A	A	A	B	B	B	B	B	B	B	C																													
B	B	B	B	B	B	B	B	B	B	C	C	C																													
C Acceptable	<ul style="list-style-type: none">Maximum 2 Performance Areas rated DNo Performance Areas rated E These are three examples: <table><tr><td>A</td><td>A</td><td>A</td><td>A</td><td>A</td><td>A</td><td>A</td><td>A</td><td>A</td><td>C</td><td>C</td><td>C</td><td>C</td></tr><tr><td>A</td><td>A</td><td>A</td><td>A</td><td>A</td><td>B</td><td>B</td><td>B</td><td>B</td><td>C</td><td>C</td><td>C</td><td>D</td></tr><tr><td>C</td><td>C</td><td>C</td><td>C</td><td>C</td><td>C</td><td>C</td><td>C</td><td>C</td><td>C</td><td>C</td><td>D</td><td>D</td></tr></table>	A	A	A	A	A	A	A	A	A	C	C	C	C	A	A	A	A	A	B	B	B	B	C	C	C	D	C	C	C	C	C	C	C	C	C	C	C	D	D	The auditee needs follow up to support its progress. Following the completion of the audit, the auditee develops a Remediation Plan within 60 days.
A	A	A	A	A	A	A	A	A	C	C	C	C																													
A	A	A	A	A	B	B	B	B	C	C	C	D																													
C	C	C	C	C	C	C	C	C	C	C	D	D																													
D Insufficient	<ul style="list-style-type: none">Maximum 6 Performance Areas rated E These are three examples: <table><tr><td>A</td><td>A</td><td>A</td><td>A</td><td>A</td><td>A</td><td>A</td><td>A</td><td>A</td><td>A</td><td>D</td><td>D</td><td>D</td></tr><tr><td>A</td><td>A</td><td>A</td><td>B</td><td>B</td><td>B</td><td>C</td><td>C</td><td>C</td><td>D</td><td>D</td><td>D</td><td>E</td></tr><tr><td>D</td><td>D</td><td>D</td><td>D</td><td>D</td><td>D</td><td>D</td><td>D</td><td>E</td><td>E</td><td>E</td><td>E</td><td>E</td></tr></table>	A	A	A	A	A	A	A	A	A	A	D	D	D	A	A	A	B	B	B	C	C	C	D	D	D	E	D	D	D	D	D	D	D	D	E	E	E	E	E	The auditee needs follow up to support its progress. Following the completion of the audit, the auditee develops a Remediation Plan within 60 days.
A	A	A	A	A	A	A	A	A	A	D	D	D																													
A	A	A	B	B	B	C	C	C	D	D	D	E																													
D	D	D	D	D	D	D	D	E	E	E	E	E																													
E Unacceptable	<ul style="list-style-type: none">Minimum 7 Performance Areas rated E These are three examples: <table><tr><td>A</td><td>A</td><td>A</td><td>A</td><td>A</td><td>A</td><td>E</td><td>E</td><td>E</td><td>E</td><td>E</td><td>E</td><td>E</td></tr><tr><td>A</td><td>A</td><td>B</td><td>B</td><td>C</td><td>D</td><td>E</td><td>E</td><td>E</td><td>E</td><td>E</td><td>E</td><td>E</td></tr><tr><td>E</td><td>E</td><td>E</td><td>E</td><td>E</td><td>E</td><td>E</td><td>E</td><td>E</td><td>E</td><td>E</td><td>E</td><td>E</td></tr></table>	A	A	A	A	A	A	E	E	E	E	E	E	E	A	A	B	B	C	D	E	E	E	E	E	E	E	E	E	E	E	E	E	E	E	E	E	E	E	E	amfori BSCI Participants shall closely oversee the auditee's progress as the producer may represent a higher risk than other business partners.
A	A	A	A	A	A	E	E	E	E	E	E	E																													
A	A	B	B	C	D	E	E	E	E	E	E	E																													
E	E	E	E	E	E	E	E	E	E	E	E	E																													
Zero Tolerance	A Zero Tolerance Issue was identified (see amfori BSCI System Manual Part V – Annex 5: amfori BSCI Zero Tolerance Protocol)	Immediate actions are required. The amfori BSCI Zero Tolerance Protocol is to be followed.																																							

Main Auditee Information

Name of producer :	AKM Knit Wear Ltd.		
DBID number :	20570		
Audit ID :	183451		
Address :	14, Gedda, Karnapara, Ulail, Savar, Karnapara, Savar, Dhaka-1340		
Province :	Dhaka	Country :	Bangladesh
Management Representative :	Mr. Md. Rasel Ahmed- Assistant General Manager- Human Resource, Compliance and Welfare		
Contact person:	Md. Rasel Ahmed	Sector :	Non-Food
Industry Type :	Textiles, clothing, leather	Product group :	Apparel
Product Type :	Woven Item (Tops & Bottoms)		

Audit Details


Audit Range :	<input type="checkbox"/> Full Audit	<input checked="" type="checkbox"/> Follow-up Audit
Audit Scope :	<input checked="" type="checkbox"/> Main Auditee	<input type="checkbox"/> Main Auditee & Farms
Audit Environment :	<input checked="" type="checkbox"/> Industrial	<input type="checkbox"/> Agricultural <input type="checkbox"/> Small Producer
Audit Announcement :	<input type="checkbox"/> Fully-Announced	<input type="checkbox"/> Fully-Unannounced <input checked="" type="checkbox"/> Semi-Announced
Random Unannounced Check (RUC) :	No	
Audit extent (if applicable) :	none	
Audit interferences or contingencies (if applicable) :	none	
Overall rating :	C	
Need of follow-up :	Yes	If YES, by : 14/06/2021

Rating per Performance Area (PA)

PA 1	PA 2	PA 3	PA 4	PA 5	PA 6	PA 7	PA 8	PA 9	PA 10	PA 11	PA 12	PA 13
D	B	A	C	A	C	A	A	A	A	A	A	A

Executive summary of audit report

As per request from amfori BSCI Member, TUV SUD Bangladesh (Pvt.) Ltd. has conducted the follow-up audit in AKM Knit Wear Ltd. The company located at 14, Gedda, Karnapara, Ulail, Savar, Dhaka-1340, Bangladesh. Before this follow-up audit, another full audit was conducted on May 25 & 26, 2019 and overall result of that audit was "C". Hence the follow up audit was conducted. But, for to the coronavirus outbreak the factory cannot finish the follow up audit before due date. The RSP holder requested through platform to extend the expiry date and the last audit expiry date is extended per amfori guidance till August 25, 2020. And the follow up audit has conducted on June 14, 2020. AKM Knit Wear Ltd is a Private Limited company which started operation in existing location from 2000. The land area of the factory, production area, main product, production process and production capacity of the factory was the same as full audit.

However, some basic information about the factory are gathered by the auditor which are given below:

Apart from the audited factory, there are another 04 factories located in the same premises named Pacific Blue Jeans Ltd, Al-Muslim Washing Ltd, Al-Muslim Garments Accessories Ltd and Al- Muslim Yarn Dyeing Ltd. which are under same owner and same management but with different business licenses. Only the areas of AKM Knit Wear Ltd. and commonly used areas were under audit scope. All of the buildings and most of the sheds of the premises shared by both factories. However, due to health and safety purpose auditor cover full premises during site tour. Noted that, facility management sharing building and sheds but midlevel management workers were found totally separate, they are workers not sharing among the factories.

Building description has been changed from the last audit. Now in the factory premises, there are 09 buildings and 26 sheds. Description of buildings and sheds are as below:

Building-1 (11 stories with Basement and a mezzanine- AKM building)
 Basement Floor- Central Store
 Ground Floor used by Al Muslim Washing Ltd. (Separate business license)
 Mezzanine floor used as conference room
 1st Floor used as finishing, C-TPAT, inspection rooms, finished goods area of audited factory.
 2nd Floor used as cutting, sewing, sample, and head office of audited factory.
 3rd Floor used as cutting, sewing, finishing, packing and office of audited factory.
 4th Floor used as cutting, sewing, finishing, packing and office of audited factory.
 5th Floor used as cutting, sewing, finishing, packing and office of audited factory.
 6th Floor used as cutting, sewing, finishing, packing and office of audited factory.
 7th Floor used by Pacific Blue Jeans Ltd. (Separate business license)
 8th Floor used as cutting, sewing, finishing, packing and office of audited factory.
 9th Floor used as cutting, sewing, finishing, packing, CAD and office of audited factory.
 10th Floor used commonly as workers & staffs dining hall, central store, idle machine area finishing and packing section.
 Rooftop is fully vacant.
 Building-2 is (06 storied) used by AL-Muslim Garment Accessories Ltd. (Separate business license)
 Building-3 (03 storied with basement- common use)
 Basement used as pump room.
 Ground floor is used as boiler and generator. And rest area used by Al- Muslim Yarn Dyeing Ltd. (Separate business license)
 1st floor used as EGB Boiler. 2nd floor used as dining hall.
 Building-4 (03 storied with basement- common use)
 Basement used as pump room. Ground Floor used as Health Care Center. 1st Floor used as office room. 2nd Floor used as CCTV, Fire control room and Store.
 Building -5 is (05 storied) used by Al- Muslim Yarn Dyeing Ltd.
 Building -6 is (03 storied)
 Ground Floor used as common medical room and rest area used by Al Muslim Washing Ltd.
 1st and 2nd Floor used by Al Muslim Washing Ltd.
 Building-7 is (05 storied) used by Al Muslim Washing Ltd.
 Building - 8 is (03 storied) used by Al-Muslim Garments Accessories Ltd. (Separate business license)
 Building-9 is Old ETP building.

Shed-1 used as ansar (security) room by audited factory.
 Shed-2 used as driver & ansar rest room, security dress store room by audited factory.
 Shed-3 used as Acid Wash & Bleach Mixing area by Al Muslim Washing Ltd.
 Shed-4 used as sub-station by audited factory.
 Shed-5 used as diesel room by audited factory.
 Shed-6 used as sub-station, diesel room, toilet, generator room, control room, motor rewelding room and transformer room by audited factory.
 Shed-7 used as compressor, electrical materials store, office room by audited factory.
 Shed-8 used as kitchen, store room, office room, washing area by audited factory.
 Shed-9 used as godown and lift material room by audited factory.
 Shed-10 used as Carton godown and old cook dormitory by audited factory.
 Shed-11 used as inspection & Store, left over goods by audited factory.
 Shed-12 used as stock lot, sprinkler materials store by audited factory.
 Shed-13 used as washing section by Al Muslim Washing Ltd.
 Shed-14 used as washing section by Al Muslim Washing Ltd.
 Shed-15 used as chemical store by Al Muslim Washing Ltd.
 Shed-16 used as car garage by Al Muslim Washing Ltd.
 Shed-17 used as waste management area by Al Muslim Washing Ltd.
 Shed-18 used as ETP Sludge keeping area by Al Muslim Washing Ltd.
 Shed-19 used as cement go-down by Al Muslim Washing Ltd.
 Shed-20 used as Carton go-down by Al Muslim Washing Ltd.
 Shed-21 used as lift & car material reserved room by Al Muslim Washing Ltd.
 Shed-22 used as Ansar camp (security).
 Shed-23 used as Ansar camp (security).
 Shed-24 used as yarn store, garments check area, paper store by Al- Muslim Yarn Dyeing Ltd.
 Shed-25 used as incineration steam boiler room by audited factory.
 Shed-26 used as security office, fire fighter office, AC room of audited factory.

Working hours, lunch break and payment system found same as full audit. As per facility management, facility has peak season in terms of intensity of production. January to September are there peak months and October to December are off peak months.

Audit Process: Upon reach to the factory on June 14, 2020, Fuara Sultana -Lead auditor (APSCA Number: RA 21703441) had done a short opening meeting with factory management. Rest member auditors named Md. Tazul Islam-Member auditor (APSCA Number- ASCA 21704592), Farjana Nahar-Member auditor (APSCA Number- ASCA 21701687) and A F M Amin Sharif- Member Auditor (APSCA Number- RA 21703440) were also present in the short opening meeting.

From the management Mr. Md. Rasel Ahmed- Assistant General Manager- Human Resource, Compliance and Welfare, Mr. Mahmud Hasan- Assistant General Manager- Human Resource and Compliance, Mr. Md. Anwar Hossain- Deputy Manager- Human Resource and Compliance, Ms. Rekha Parvin- Deputy Manager- Human Resource and Compliance, Mr. Nobonur Rahman-Assistant Manager- Human Resource and Compliance, Mr. Md. Nasir-Assistant Manager- payroll were present in the opening meeting.

Right after the short opening meeting, audit team went on a site/plant visit with permission for photography and workers interview from the management. The management team permitted to carry out the whole process as per the amfori BSCI requirements. The auditors also took interview of workers after finishing plant tour. In total, auditors selected 26 employees randomly for interview.

Post to these processes, Audit team did a detailed opening meeting with the factory management in presence of a worker representatives Ms. Farjana Akter- Vice President of Participation Committee. After that, auditors started to carry out the audit as per the audit plan. All management staff related was very cooperative throughout the assessment process.

26 attendance/time records and salary sheets of the selected employees from the month period of May 2020 (most recent month), January 2020 (peak month) and October 2019 (off peak month).

Auditor conducted the closing meeting after completion of entire audit process (site tour, interview with the workers and management interview, document review). The same persons mentioned in opening meeting were attended in the closing meeting management with workers representative. Finally, Mr. Md. Rasel Ahmed- Assistant General Manager- Human Resource, Compliance and Welfare and Ms. Farjana Akter – Vice President of participation committee has signed the Findings Report after the end of closing meeting.

Attitude of factory management: The factory management was receptive, positive and extended their full cooperation throughout the audit. They showed positive attitude towards the compliance requirements. Factory management was very much positive to provide the document which was needed to verify during the audit. Further, they have agreed with the areas of improvements identified during this follow up audit and given time scale for correction. The factory management has certain that they would correct those issues within the planned time frame that was mentioned in the corrective action plan.

#COVID19:

- Facility announced general holidays from March 27, 2020 to March 31, 2020 due to COVID-19 pandemic. Then factory opened on April 01, 2020.
- After that, factory declared general holidays 2nd time from April 06, 2020 to April 20, 2020 due to the same reason. Facility reopened and started their operations from April 21, 2020.
- As per Bangladesh Government's declaration on May 10, 2020 with the guideline of workers payment system, facility has paid 60% of gross wage to the workers for those general holidays in April 2020 and 100% of gross wage for present days only (few workers who present in few days due to urgent work in this general holiday). Facility has also paid additional 05% of gross wage of April 2020 (for absent days only) with the wage of May 2020 as per the said Government declaration.
- Note that, facility identified some suspected people in the factory after reopening and upon test found COVID-19 positive for 10 workers. Immediately facility took prompt action. They separated the affected workers and suggested to maintain quarantine (isolation).
- Those affected workers firstly got medical treatment from Local Upozilla Sastho Complex. Later workers had taken medical treatment support from Maa o Shishu Hospital definite for COVID-19, declared by Government.
- Facility formed a Task force committee of 15 members who were dedicated for COVID-19. The whole treatment time these workers were monitored by factory's Task force committee. Facility has given full medical treatment expenses of the affected workers.
- After proper treatment, all the affected workers are now COVID-19 negative. 06 of the workers back to the workstation after the treatment. 01 worker left the job and facility have paid full benefit. Other workers are not back to the workstation yet; they are still in leave. As per management statement, after leave period they can join.
- Also note that, facility has setup a COVID-19 quarantine area with 60 beds which is 1.5 kilometer away from the factory premises. If any workers will be affected by COVID-19 they will get support from this COVID-19 quarantine. However, presently no worker is there.

Note: Factory has the structural design approval from Savar Pouroushova dated 10 October 1918. They applied to Rajdhani Unnayan Kartripakkha- RAJUK (concern Government Authority) on 15 May 2013 but RAJUK did not permit any factory on that particular zone. However, factory got the Accord recognition for building structural safety on 29 September 2019. So based on the factors, auditors did not raise the issue as findings though factory did not obtain approval from concern authority.

The below document is not applicable for this facility.

- Contractor license/permit.
- Agency labor contract.
- Government waivers.
- Collective bargaining agreements.
- Environment Clearance certificate.

Ratings Summary


Auditee's background information			
Auditee's name :	AKM Knit Wear Ltd.	Legal status :	Private Limited Company
Local Name :	এ কে এম নীট ওয়ার লি:	Year in which the auditee was founded :	2000
Address :	14, Gedda, Karnapara, Ulail, Savar, Karnapara, Savar,	Contact person (please select) :	Md. Rasel Ahmed
Province :	Dhaka	Contact's Email :	rasel-hr@pacificbluejeans.com
City :	Dhaka-1340	Auditee's official language(s) for written communications :	Bengali
Region :	South Asia	Other relevant languages for the auditee :	English
Country :	Bangladesh	Website of auditee (if applicable) :	www.al-muslimgroup.com
GPS coordinates :	latitude: 23.8275871,longitude: 90.2570283	Total turnover (in Euros) :	178460000.00
Sector :	Non-Food	Of which exports % :	100.00
Industry :	Textiles, clothing, leather	Of which domestic market % :	0.00
If other, please specify :	None	Production volume :	2,500,000 pieces Per Month
Product Group :	Apparel	Production cost calculation :	Yes
If other, please specify :	None	Lost time injury calculation cost :	Yes
Product Type :	Woven Item (Tops & Bottoms)		

Auditee's employment structure at the time of the audit		
Total number of workers :	12284	Total number of workers in the production unit to be monitored (if applicable) : 0
	MALE WORKERS	FEMALE WORKERS
Permanent workers	4302	7729
Temporary workers	0	0
In management positions	243	10
Apprentices	0	0
On probation	0	0
With disabilities	0	0
Migrants (national citizens)	0	0
Migrants (foreign citizens)	0	0
Workers on the permanent payroll	4545	7739
Production based workers	0	0
With shifts at night	12	0
Unionised	0	0
Pregnant	-	165
On maternity leave	-	118

Finding Report



Performance Area 1 : Social Management System and Cascade Effect

1- Followup Audit [Audit Id - 183451] Audit Date: 14/06/2020 PA Score: D

Deadline date:30/04/2021

GOOD PRACTICES:

No Good Practice observed for this performance area.

AREAS OF IMPROVEMENT:

Overall comments: During audit, it was observed that, the auditee partially fulfills the requirements of this performance area as 02 questionnaires (1.1 and 1.4) have been marked as a partially. The reason behind "partially and yes" marking has mentioned as: 1.1: Factory management have a good understanding on amfori BSCI requirements and its significances thought they are practicing implementing amfori BSCI in day to day business but still have some limitations as few areas of improvement were identified under different performance areas which are revealing deficiency of understanding on amfori BSCI. Through showing some evidence towards integrating the amfori BSCI Code into the auditee business culture, factory management confirming their positive initiative and necessity of effective management system. 1.2: Factory management has engaged a senior level management person to look after and the implement the code in the factory. He has a good understanding on their supply chain as per office order he has a decision-making power. According to office order he has budget allocation authoritative power to implement amfori BSCI requirements at the facility. He is responsible for selecting and monitoring performance of business partner. 1.3: Factory management has developed a management system for selecting current and future business partners to find out their social performance capability with respect to the amfori BSCI requirements. Through their selecting system they have selected business partners. In addition, Facility management communicate amfori BSCI Code of Conduct and Terms of Implementation with all business partners. Factory has categorized by high, medium and low for their business partners are important. 1.4: Factory management has introduced a capacity as well as production capacity planning. and they have involved head of HR and workers representatives during the production capacity planning. Also, facility have documented the assessment of how much more "overtime" premium would be added to cost, in case it is needed to match a delivery order. But based on the real scenario it was found that capacity planning has not done properly as workers did continuously 03/ 04 hours overtime on regular basis. Based on conversation factory management it was observed that factory management has capability to develop social management system in the factory premises. They are aware on short term investments and long-term solutions. They have started to train related personnel e.g. merchandiser, marketing and sales to take into consideration not only price and quality but also willingness to respect the amfori BSCI requirements.

1.1 - Not corrected: During this follow up audit, it was noted that factory management has developed most of the areas but still some areas of improvements are identified under different Performance Areas, which is the evidence of gaps in the overall management system against amfori BSCI COC requirements.

1.4 - Corrected: during this follow up audit it was noted that facility management has done a production capacity planning, and they have involved head of HR and workers representatives during the production capacity planning. Also, facility have documented the assessment of how much more "overtime" premium would be added to cost, in case it is needed to match a delivery order. And it was observed that no workers found did excessive overtime during the sample month. New Finding: Through provided documents review it was observed that no workers found did excessive overtime, but some workers found did continuously 03/ 04 hours overtime on regular basis of the sample month. Based on the real scenario it was noted that capacity planning has not done properly considering the all factors and due to that reason workers required to go with excessive overtime.

Remarks from Auditee:

We would take corrective action.

Full Audit [Audit Id - 152426] Audit Date: 25/05/2019 PA Score: D

Deadline date:31/03/2020

Good practices

No good practice was noted under this performance area.

Areas of improvement

Overall comments: During this audit, it was observed that, the auditee partially fulfills the requirements of this performance area as 02 questions (1.1 and 1.4) have been marked as a partially. The reason behind "partially and yes" marking are: 1.1: Facility management has good understanding on BSCI requirements and its significances. Through showing some evidence towards integrating the BSCI Code into the auditee business culture, facility management confirming their positive initiative and necessity of effective management system though there are some lacking noted. 1.2: Facility management has engaged a senior level management person to look after and the implement the code in the facility. He has a good understanding on their supply chain. As per office order he has a decision-making power to allocate budget to follow up BSCI requirements implementation. He is responsible for selecting and monitoring performance of business partner. 1.3: Facility management has developed a management system for selecting current and future business partners to find out their social performance capability with respect to the BSCI requirements. Through their selecting and monitoring system they have selected and mapped their business partners. The facility management has also shared the amfori BSCI Code of Conduct and Terms of implementation to all of their business partners. Besides, facility has also developed grievance procedure for their business partners. 1.4: Facility management has developed a capacity plan and contingency plan but didn't considering lost time and break time etc., facility management has done a production capacity planning, but they didn't involve head of HR and workers representatives during the production capacity planning. Facility does not have documented assessment of how much more "overtime" premium would be added to cost, in case it is needed to match a delivery order. Thus, it was observed that some workers did excessive overtime during the sample month.

1.1 - Finding: It was noted that factory management has developed most of the areas but still some areas of improvement are identified under different Performance Areas, which is the evidence of gaps in the overall management system against amfori BSCI COC requirements.

কারখানা কর্তৃপক্ষ বিভিন্ন বিভাগে চাহিদা আংশিক অর্জন করেছে কিন্তু কারখানা কর্তৃপক্ষ বিভিন্ন বিভাগের প্রয়োজনীয় কাজগুলো সকল ক্ষেত্রে পূরোপুরি করে উঠতে পারেনি। (আমফরি বিএসসিআই সিওসি অনুযায়ী)

1.4 - Finding: Following gaps were identified in production capacity planning: a) though the factory management has done a production capacity planning but didn't considering lost time and break time etc. b) facility management has done a production capacity planning, but they didn't involve head of HR and workers representatives during the production capacity planning. c) facility does not have documented assessment of how much more "overtime" premium would be added to cost, in case it is needed to match a delivery order. Thus, it was observed that some workers did excessive overtime during the sample month.

কারখানার উৎপাদন ক্ষমতা সঠিক ভাবে করা হয়নি, যার কারণে কারখানা কর্তৃপক্ষ প্রায় প্রতিমিনিয়ত শ্রমিকদের অতিরিক্ত কর্মঘণ্টার জন্য অনুরোধ করে থাকে। তথাপি কারখানার উৎপাদন ক্ষমতা পরিকল্পনায় এবং বাস্তবায়নে কিছু ঘাটতি রয়েছে। (আমফরি বিএসসিআই সিওসি অনুযায়ী)

Remarks from Auditee

We will do corrective action accordingly.

Performance Area 2 : Workers Involvement and Protection

1- Followup Audit [Audit Id - 183451] Audit Date: 14/06/2020 PA Score: B

Deadline date:30/11/2020

GOOD PRACTICES:

No Good Practice observed for this performance area.

AREAS OF IMPROVEMENT:

Overall Comments: During audit, it was observed that, the auditee partially fulfills the requirements of this performance area as 02 questionnaires (2.2 and 2.4) have been marked as a partially. The reason behind "partially and yes" marking has mentioned as: 2.1: Factory management has formed Participation Committee (PC) through collaboration of management and workers. Workers representative has been elected by workers. Records of election process checked and found fair election. This committee meeting is conducted ones in every two months in regular basis. Where both (workers and management) trying to discuss about improving working conditions. Meeting minutes of PC forward to concern department as per law. Besides Factory management has formed safety committee and comprises with worker and management. Workers representative of safety committee has selected by worker's representative of Participation Committee (PC). 2.2: Facility has introduced a long-term goal and the goal was in line with amfori BSCI as well as long-term vision, mission and goal found at the facility which is revealing step by step approach towards the sustainable improvement. But 01 performance area was not covered in the long-term goal. Factory management conducted risk assessments to identify appropriate protective measures for workers. Management have a good understanding of where the risks lie for workers or the magnitude and likelihood of those risks. Company has a policy with endorsement Mission, vision and goal would be discussed with all the PC members documented record found during record reviews. 2.3: Factory management is providing the training on company's rules, legal rights and other safety issues and workers were aware. Factory management has posted amfori BSCI New Version Code inside the production floor. Factory management has provided contracts letter and job description and keep one copy of both document in workers personal file. 2.4: On a regular basis factory management arranges training for owners, directors, newcomers, managers, workers, workers' representatives as well keep on update them concerning the amfori BSCI Code. Training materials were up to date. The person in charge for providing training is qualified. However, as per the requirement random basis 26 workers were interviewed but some of workers were not well aware about the requirements of amfori BSCI Code of Conduct. 2.5: Factory management has introduced grievance procedure how the grievances would be handled and resolved. The Policy was in lined with amfori BSCI requirements as well as the policy define how to deal with "potential conflict of interest". Facility has conduct satisfaction survey on grievance and ensure the worker participation in the survey as workers representative. Interviewed workers were well aware about grievance procedure.

2.2 - Corrected: During this follow up audit it was noted that the factory management has done vision, mission and objectives of the company and there is the long-term goal of the factory which define the timeliness of improvement in line with the BSCI Code toward sustainable development. New Finding: It was noted that the factory management has done vision, mission and objectives of the company and there is the long-term goal of the factory by which it will reflect a step-by-step approach toward sustainable improvement, but all the performance area was not covered like "workers involvement and protection".

2.4 - Not corrected: During this follow up audit it was noted that 15 out of 26 interviewed workers and midlevel management of the factory still not properly aware about the requirement of amfori BSCI Code of Conduct.

2.5 - Corrected: During this follow up audit it was noted that facility has policy on grievance procedure for the workers, and the policy found in line with amfori BSCI requirement. Also interviewed employees found aware about grievance procedure.

Remarks from Auditee:

We would take corrective action.

Full Audit [Audit Id - 152426] Audit Date: 25/05/2019 PA Score: C

Deadline date:31/08/2019

Good practices

No good practice was noted under this performance area.

Areas of improvement

Overall comments: During audit, it was observed that the auditee partially fulfills the requirements of this performance area as 03 questionnaires (2.2, 2.4 & 2.5) have been marked as partially. The reason behind "partially and yes" marking has mentioned as: 2.1: Factory management was formed a workers Participation Committee (PC) through election process. Workers representatives were elected by the workers. This committee meeting is conducted ones in every two months. Where both (workers and management) trying to discuss about improving working conditions. Meeting minutes of PC forward to concern department as per law. 2.2: Facility developed vision, mission and objectives for the company, but current vision, mission, objectives and long-term goal is not in line with the BSCI Code as the long-term goal of the factory did not define the timeliness of improvement in line with the BSCI Code toward sustainable development. 2.3: Factory management is providing the training on company's rules, legal rights and other safety issues and workers were aware. Factory management has posted amfori BSCI New Version Code inside the production floor. Factory management has provided contracts letter and job description and keep one copy of both document in workers personal file. 2.4: On a regular basis factory management arranges training for owners, directors, newcomers, managers and workers representatives etc. on the amfori BSCI Code. Training materials were found up to date. However, some of interviewed workers of the factory were found not well aware about the requirements of amfori BSCI Code of Conduct. 2.5: Facility has grievance policy and procedure for the workers. However, the policy was not in line with amfori BSCI requirements. As the policy did not define how to deal with "potential conflict of interest" and "Appeal process in the case of dissatisfaction".

2.2 - Finding: It was noted that the factory management has done vision, mission and objectives of the company but the long-term goal of the factory did not define the timeliness of improvement in line with the BSCI Code toward sustainable development.
 কোম্পানি একটি ভিশন, মিশন গড়ে তুলেও বি এস সি আই নীতিমালার আলোকে দীর্ঘমেয়াদী লক্ষ্য বিস্তারিত ভাবে করে নাই। (আমফরি বিএসসিআই সিওসি অনুযায়ী)

2.4 - Finding: During interview, it was found that 25 out of 38 sampled workers and midlevel management of the factory were found not well aware about the requirements of amfori BSCI Code of Conduct.
 ৩৮ জনের মধ্যে ২৫ জন শ্রমিকরা বিএসসি আই কোড অফ কন্ডাক্ট সম্পর্কে ভাল অবগত নাই। (আমফরি বিএসসিআই সিওসি অনুযায়ী)

2.5 - Finding: It was noted that facility has policy on grievance procedure for the workers, but the policy was not in line with amfori BSCI requirement as the policy did not define how to deal with "potential conflict of interest" and "Appeal process in the case of dissatisfaction". Further to that few employees were not aware about grievance procedure.

কারখানাটির শ্রমিকদের জন্য অভিযোগের নীতি আছে কিন্তু নীতিটি আমফরি বিএসসিআই প্রয়োজনীয়তার সাথে সঙ্গতিপূর্ণ নয়, কারণ নীতিটি "সম্ভাব্য সংঘাতের" মোকাবেলা কিতাবে করা হবে এবং "অসন্তুষ্টির ক্ষেত্রে আপীল প্রক্রিয়া" নির্ধারণ করেনি। উপরন্তু কিছু শ্রমিক অভিযোগ সম্পর্কে ভালোভাবে অবগত নয়। (আমফরি বিএসসিআই সিওসি অনুযায়ী)

Remarks from Auditee

We will do corrective action accordingly.

Performance Area 3 : The rights of Freedom of Association and Collective Bargaining

1- Followup Audit [Audit Id - 183451] Audit Date: 14/06/2020 PA Score: A

Deadline date:

GOOD PRACTICES:

No Good Practice observed for this performance area.

AREAS OF IMPROVEMENT:

Overall Comments: During audit, it was observed that, the auditee fulfills the requirements of this performance area. The reason behind "Not Rated and yes" marking has mentioned as: During audit, it was noted through interaction with factory management, interview with workers and documents review that, the factory does not have labor union/collective bargaining agreements, but they have formed a PC (Participation Committee) through election basis. PC committee meeting is conducted once in every two months where both (workers and management) try to discuss about improving working conditions. Meeting minutes of PC are also forwarded to the concern department as per law. Moreover, all interviewed workers were found aware about the activities of the PC. Factory management has an open policy for forming and joining union independently. PC members are not discriminated, and all PC members have right to raise their voices. Workers are free to raise and inform their grievance to the management directly or through the members of PC (Participation Committee). Members of PC (Participation Committee) also informed that they are not discriminated from any benefits or free movements in workplace. 3.3 is marked as Not Rated due to below reason: According to local legal requirements any union or collective bargaining is not mandatory to form. No trade union or workers' association is available in the factory and there is no restriction imposed by the factory management.

3.4 - Corrected: During this follow up audit interviewed workers found aware about the workers participation committee, its representatives, their activities and the function of the committee.

Remarks from Auditee:

Full Audit [Audit Id - 152426] Audit Date: 25/05/2019 PA Score: A

Deadline date:31/08/2019

Good practices

No good practice was noted under this performance area.

Areas of improvement

Overall Comments: During audit, it was observed that the auditee partially fulfills the requirements of this performance area as 01 questions (3.4) has been marked as a partially. The reasons behind yes, partially and N/A marking have mentioned as: During audit, it was noted through interaction with facility management, interview with workers and documents review that, the facility does not have labor union/collective bargaining agreements, but they formed a PC (Participation Committee) through election basis. This committee meeting is conducted ones in every two months. Where both (workers and management) trying to discuss about improving working conditions. Meeting minutes of PC also forward to concern department as per law. Facility management has an open policy to form or joins union independently. PC members are not discriminated, and all PC members have right to raise their voice. Workers are free to raise and inform their grievance to the management directly or through the members of PC (Participation Committee). Members of PC (Participation Committee) also informed that they are not discriminated from any benefits or free movements in workplace. However, most of the interviewed workers were not aware regarding participation committee, its representatives, their activities and the function of the committee. 3.3 is marked as N/A due to below reason. Per local legal requirements any union or collective bargaining is not mandatory to form. No trade union or worker association is available in the facility and there is no restriction imposed by the facility management.

3.4 - Finding: It was noted that, 21 out of 38 workers were not properly aware of the workers' participation committee, its representatives, their activities and the function of the committee.

শ্রমিক/কর্মীরা তাদের অংশগ্রহণকারী কমিটি বা এর প্রতিনিধি অথবা তাদের কর্মপ্রণালী সম্পর্কে ভালোভাবে জানেনা (অমফরি বিএসসিআই সিওসি অনুযায়ী)

Remarks from Auditee

We will do corrective action accordingly.

Performance Area 4 : No Discrimination

1- Followup Audit [Audit Id - 183451] Audit Date: 14/06/2020 PA Score: C

Deadline date:30/11/2020

GOOD PRACTICES:

No Good Practice observed for this performance area.

AREAS OF IMPROVEMENT:

Overall Comments: During audit, it was observed that, the auditee partially fulfills the requirements of this performance area as 01 questionnaire (4.1) has been marked as a partially. The reason behind "partially and yes" marking has mentioned as: During close door interview no complaint on discrimination revealed from workers. No discrimination on hiring which was evident by reviewing the documentation. Also, interviewed workers informed that they are not discriminated in terms of race, caste, religion, age, gender or marital status. Workers are equally treated in the factory in case of promotion, benefits etc. Overtime opportunity for all workers is equal. Factory management has separate policy on discrimination. Factory has posted that policy in different prominent places i.e. notice board and inside the production floor. Facility management did not conduct internal assessment on the most frequent grounds used for discrimination as well as most common activities through which discrimination may occur. Moreover, the management did not identify the root cause of discrimination behaviors. The factory management has conducted periodic satisfaction surveys on the grievance mechanism, discrimination and harassment. The facility management has developed anti-discrimination policy which comply with legal requirements. They are maintaining grievance register.

- 4.1 -** Not corrected: During this follow up audit it was noted that still a) facility management did not conduct any internal assessment on the most frequent grounds used for discrimination as well as most common activities through which discrimination may occur. b) Also, the factory management didn't identify the root cause of discrimination behaviors.
- 4.2 -** Corrected: During this follow up audit it was noted that factory did conduct periodic satisfaction surveys on harassment, discrimination and grievance mechanism.

Remarks from Auditee:

We would take corrective action.

Full Audit [Audit Id - 152426] Audit Date: 25/05/2019 PA Score: C

Deadline date:31/07/2019

Good practices

No good practice was noted under this performance area.

Areas of improvement

Overall Comments: During audit, it was observed that the auditee partially fulfills the requirements of this performance area as 02 questions (4.1 & 4.2) have been marked as a partially. The reason behind "partially and yes" marking has mentioned as: During close door interview no complaint on discrimination revealed from workers. No discrimination on hiring which was evident by reviewing the documentation. Also, interviewed workers informed that they are not discriminated in terms of race, caste, religion, age, gender or marital status. Workers are equally treated in the factory in case of promotion, benefits etc. Overtime opportunity for all workers is equal. Factory management has separate policy on discrimination. Factory has posted that policy in different prominent places i.e. notice board and inside the production floor. Facility management has adopted policy and procedure to protect discrimination, but they didn't conduct any internal assessment on the most frequent grounds used for discrimination as well as most activities through which discrimination may occur also they didn't identify the root cause of discriminating behavior. factory did not conduct periodic satisfaction surveys properly on the harassment and discrimination etc. among their workers. However, the facility management only conducted satisfaction survey on the grievance mechanism.

- 4.1 -** Finding: It was noted that a) facility management did not conduct any internal assessment on the most frequent grounds used for discrimination as well as most common activities through which discrimination may occur. b) the factory management didn't identify the root cause of discrimination behaviors.
কোন কোন অঞ্চলে বৈষম্য আবির্ভূত হতে পারে তা নির্ণয় করা হয়নি। (আমফরি বিএসসিআই সিওসি অনুযায়ী)
- 4.2 -** Finding: It was noted that factory did not conduct periodic satisfaction surveys properly on the harassment and discrimination etc. among their workers. However, the facility management only conducted satisfaction survey on the grievance mechanism.
কারখানার শ্রমিকদের বৈষম্য ও হয়রানি বন্ধের পদ্ধতির উপর শ্রমিকরা সন্তুষ্ট কি না, সেটার উপর কোনো জরিপ করা হয় নাই। শুধু মাত্র অভিযোগ পদ্ধতি উপর জরিপ করা হয়। (আমফরি বিএসসিআই সিওসি অনুযায়ী)

Remarks from Auditee

We will do corrective action accordingly.

Performance Area 5 : Fair Remuneration	
1- Followup Audit [Audit Id - 183451] Audit Date: 14/06/2020 PA Score: A	Deadline date:
GOOD PRACTICES: No Good Practice observed for this performance area.	
AREAS OF IMPROVEMENT: Though this is a follow up audit and there was no findings in previous audit in performance area 5. But as performance area 6 is under audit scope that's why performance area 5 is also verified during this audit.	
Remarks from Auditee:	
Full Audit [Audit Id - 152426] Audit Date: 25/05/2019 PA Score: A	Deadline date:
<u>Good practices</u> No good practice was noted under this performance area.	
<u>Areas of improvement</u> <p>Overall Comments: During audit, it was observed that, the auditee fulfills the all requirements of this performance area. The reason behind "yes" marking have mentioned as: 5.1: Factory management is providing industry minimum wage BDT. 8000 for assistant operator Payment, also facility has provided increment annually. 5.2: Wages are paid within 7th working day after completion of each wage period (1st to 30th or 31st). During workers interview session workers confirmed and expressed their satisfaction for timely payment. 5.3: Reviewing their wage structure it was observed factory management is providing wage based on their skilled. Because, deviation has identified on that. 5.4: The factory management aware about the living wages and calculated the same and they are ensuring minimum wage as per law. 5.5: Casual, annual and sick leave are provided to all the workers. But the factory management has provision to provide Maternity leave and benefits also the factory management is providing other compensation benefits to workers as per law. 5.6: No illegal deduction was observed from the audit process. Factory management has group insurance policy for the workers. Besides workers are also getting increment as per local law.</p>	
<u>Remarks from Auditee</u>	

Performance Area 6 : Decent Working Hours

1- Followup Audit [Audit Id - 183451] Audit Date: 14/06/2020 PA Score: C

Deadline date:30/04/2021

GOOD PRACTICES:

No Good Practice observed for this performance area.

AREAS OF IMPROVEMENT:

Overall Comments: During audit, it was observed that, the auditee partially fulfills the requirements of this performance area as 01 questionnaire (6.2) has been marked as a partially. The reason behind "partially and yes" marking has mentioned as: 6.1: The factory management has displayed notice regarding the working hours, overtime hours, lunch breaks, weekly and festival holidays on notice boards. They have collected working hour approval from concern authority. Regularly working hour of the factory is 48 hours weekly and 08 hours in a day. The person in charge for recruitment, he is aware on legal limit of working hour 6.2: During randomly checked sample months working hour analysis it was observed that daily and weekly overtime hours have not exceeded the legal limit. But some workers found did continuously 03/ 04 hours overtime on regular basis of the sample month. Based on the real scenario it was noted that capacity planning has not done properly considering the all factors and due to that reason. Workers get weekly holiday. Overtime work is volunteer in the factory. Factory management has policy on working hour. Factory management paying premium rate (200% of basic wage of per hour). 6.3: Reviewed 12 months' payroll and time records and among 12 months' auditor randomly checked 03 months' payroll and time records. Workers getting 01-hour lunch / rest break for all. All employees have full access of to go toilets without prior notice within working hour. Workers shared that they know about the resting breaks and this resting area quite effective. 6.4: Though randomly identified, no workers worked in weekly day off in any sample month.

6.2 - Corrected: during this follow up audit it was noted that facility management has done a production capacity planning, and they have involved head of HR and workers representatives during the production capacity planning. Also, facility have documented the assessment of how much more "overtime" premium would be added to cost, in case it is needed to match a delivery order. And it was observed that no workers found did excessive overtime during the sample month. New Finding: Through provided documents review it was observed that no workers found did excessive overtime, but some workers found did continuously 03/ 04 hours overtime on regular basis of the sample month. Based on the real scenario it was noted that capacity planning has not done properly considering the all factors and due to that reason workers required to go with excessive overtime.

Remarks from Auditee:

We would take corrective action.

Full Audit [Audit Id - 152426] Audit Date: 25/05/2019 PA Score: C

Deadline date:31/10/2019

Good practices

No good practice was noted under this performance area.

Areas of improvement

Overall Comments: During audit, it was observed that the auditee partially fulfills the requirements of this performance area as 01 question (6.2) has been marked as partially. The reasons behind "yes and partially" marking are as follows: 6.1: The facility management has displayed notice regarding the working hours, overtime hours, lunch breaks, weekly and festival holidays on notice boards. They have collected working hour approval from concern authority. Regularly working hour of the facility is 48 hours weekly and 08 hours in a day. The person in charge for recruitment, he is aware on legal limit of working hour. 6.2: During randomly checked sample months working hour analysis, it was observed that overtime hours have exceeded the legal limit. However, overtime is voluntarily in the facility. Facility management has policy on working hour. Facility management paying premium rate (200% of basic wage of per hour). 6.3: Reviewed 12 months' payroll and time records and among 12 months' auditor randomly checked 03 months' payroll and time records. Workers getting 01-hour lunch / rest break for all. All employees have full access of to go toilets without prior notice within working hour. Workers shared that they know about the resting breaks and this resting area quite effective. 6.4: no sampled workers worked in weekly day off.

6.2 - Finding: it was noted that, workers had worked excessively as per following: April 2019: 09 out of 38 randomly selected employees worked more than the legal daily overtime limits (04 hours in a day) and highest 12.5 hours of worked in a day. However, no excessive weekly overtime found in this reviewed month. June 2018: 04 out of 10 randomly selected employees worked more than the legal daily overtime limits (04 hours in a day) and highest 12.5 hours of worked in a day. Further, 02 out of 10 randomly selected employees worked more than the legal weekly overtime limits (24 hours in a week) and highest working hour (general and overtime hours) was 75 hours in a week. November 2018: 04 out of 10 randomly selected employees worked more than the legal daily overtime limits (04 hours in a day) and highest 12.5 hours of worked in a day. Further, 02 out of 10 randomly selected employees worked more than the legal weekly overtime limits (24 hours in a week) and highest working hour (general and overtime hours) was 75 hours in a week.

সংশ্লিষ্ট সেকশন এর কিছু শ্রমিক লিগাল লিমিট এর অতিরিক্ত কর্মঘন্টা করেছে। (আমফরি বিএসসিআই সিওসি অনুযায়ী)

Remarks from Auditee

We will do corrective action accordingly.

Performance Area 7 : Occupational Health and Safety

1- Followup Audit [Audit Id - 183451] Audit Date: 14/06/2020 PA Score: A

Deadline date:30/11/2020

GOOD PRACTICES:

No Good Practice observed for this performance area.

AREAS OF IMPROVEMENT:

Overall Comments: It was observed that the auditee partially fulfills the requirements of this performance area as 05 questionnaires (7.1, 7.5, 7.10, 7.11 & 7.17) have been marked as a partially. The reason behind "yes, partially and Not Rated" marking has mentioned as: Facility management is trying to develop their health and safety condition. Facility management has a policy on health and safety. # COVID 19 To ensure health and safety of their employees, below some cautionary measures are taken by factory against COVID-19. To ensure, proper cautionary measures factory have formed a committee of 15 members to monitor and handle pandemic situation. Factory management is providing awareness training regarding COVID-19 regularly to all of their employees. Also, they are distributing leaflet to their employees. During the workers' entry to the factory, they check their temperature by thermal scanner, ask them to wash hands and shoes and go through disinfection tunnel with maintaining social distance. Further, they ensure workers are using required PPE. If anyone was found showing symptoms of infection, the person must be separated from others for treatment. They washed the vehicles before entering the factory premises including visitor vehicles. They are washing all places to sanitize all places time to time. In production floor, dining and canteen area they provided hand sanitizer. They ensured required support to their medical team. The facility continuing the business partially in line with the regulations on occupational health and safety relevant for its activity. Facility has regularly recorded accident and injury, and analysis has conducted properly as per amfori BSCI requirement. But facility has not prepared procedure in place for reporting. And not giving awareness training on near misses. Facility has assessed risk of all the areas. Facility management has allocated adequate human and financial resources to ensure identification of risks. Workers of facility are free to move during any emergency evacuation without seeking any permission. Facility management has providing the training on different types of topics i.e. health and safety, use of Personal protective equipment, firefighting, first aid and emergency drills, etc. Facility management provides the PPEs to all its workers by its own cost. All the workers were wearing PPE during the audit and maintaining social distance. Facility has developed emergency procedure which has been displayed to the notice boards. Facility also visually displayed the emergency procedure for the easy understanding. Facility management is conducting fire drills in regular interval. Facility management has arranged training for fire fighters, but facility has insufficient fire fighters as required by law. And some of the firefighters' knowledge was inadequate regarding firefighting equipment's location, using of firefighting equipment's. Facility has kept firefighting equipment to all required places where needed and maintenance has been also done on regular basis. During the audit, no exit door was found in blocked or locked condition. All exit was found clearly marked and illuminated with back-up power system. Evacuation plans has been posted in local language and it is placed showing the closest escape routes including emergency exits. Facility management is providing pure drinking water to its workers. Safety guard of all the machines were found properly except few machines. All the chemicals were found kept properly. facility management has done properly emergency procedure of trauma and serious illness. Interviewed responsible persons have found adequate knowledge about trauma and serious illness. Facility management providing training and make maintenance schedule to ensure all safety guard in appropriate place. Seating capacity in workers dining was sufficient, it was clean and hygienic. Canteen was available. All the toilets were found clean and maintained properly by the management. 7.23 and 7.24 is marked as "Not Rated" since facility management do not have provision for transport and housing facility, and it is not mandatory by law also.

- 7.1 - Corrected: During this follow up audit it was noted that facility management has involved worker representatives and workers in the drafting and enforcement of the internal audit and others procedure on occupational health and safety. New finding: It was noted that some non-compliances are identified under this Performance Area, which is the evidence of gaps identified in the overall observance of occupational health and safety system against amfori BSCI COC requirements and local law regulations.
- 7.5 - Not Corrected: During this follow up audit it was noted that, a) still facility has insufficient fire fighters. Note that, facility has 1270 firefighters instead of 2211. b) 04 out of 06 interviewed fire-fighters were found not properly aware about firefighting knowledge e.g. types of fire and fire extinguishers, use of firefighting equipment etc.
- 7.10 - Corrected: During this follow up audit it was noted that, factory has recorded injury and have calculated lost time for injury in terms of monetary value as per amfori BSCI requirement. Not Corrected: During this follow up audit it was noted that, still facility has not prepared procedure in place for reporting. And not giving awareness training on near misses (incident that could have been turned into accident).
- 7.11 - Not Corrected: During this follow up audit it was noted that, still 02 out of 07 boiler license of the factory has been expired on May 26, 2020. However, factory management has applied for the renewal to respective authority on January 05, 2020.
- 7.17 - Corrected: During this follow up audit it was noted that, eye guard of over lock machines found in proper condition at sewing section. Not Corrected: It was noted that still 15% needle guard of sewing machine found in displaced condition at sewing section. New Finding: During this follow up audit it was noted that, randomly checked 06 out of 10 button stitched machines eye guard found at displaced condition in the production floor. [Ref: Bangladesh Labour Law 2006, section 63(1) D (3)]

Remarks from Auditee:

We would take corrective action.

Full Audit [Audit Id - 152426] Audit Date: 25/05/2019 PA Score: A

Deadline date:31/08/2019

Good practices

No good practice was noted under this performance area.

Areas of improvement

Overall Comments: During audit, it was observed that the auditee partially fulfills the requirements of this performance area as 05 questions (7.1, 7.5, 7.10, 7.11 and 7.17) have been marked as a partially. The reason behind yes, N/A and partially; marking have mentioned as: Factory management is trying to develop their health and safety condition. Factory management has a policy on health and safety. The facility continuing the business partially in line with the regulations on occupational health and safety relevant for its activity. Facility has regularly recorded accident and injury but further analysis has not conducted to improve the occupational health and safety procedures. Management didn't involve the workers representative and workers in the drafting and enforcement of the internal audit and other procedure on occupational health and safety. Facility has assessed risk of the all facility. Facility management has allocated adequate human and financial resources to ensure identification of risks. Workers of factory are free to move during any emergency evacuation without seeking any permission. Factory management has providing regular training on different types of topics i.e. health and safety, use of Personal protective equipment, firefighting, first aid and emergency drills. Factory management provides the PPEs to all its workers by its own cost. All the workers were wearing PPE during the audit. Facility has developed emergency procedure which has been displayed to the notice boards. Facility also visually displayed the accident and emergency procedure the easy understanding of general workers and guide the first aid providers though the management yet to develop the reporting channel for report near misses. Factory management is conducting fire drills in regular interval. Factory management has arranged training for fire fighters and firefighting team has not enough knowledge about firefighting knowledge e.g. types of fire and fire extinguishers, use of fire equipment and the

number of trained firefighters is inadequate. Facility has kept firefighting equipment to all required places where needed and maintenance has been also done on regular basis. During the audit, no exit door was found in blocked or locked condition. All exit was found clearly marked and illuminated with back-up power system. Evacuation plans has been posted in local language and it is placed showing the closest escape routes including emergency exits. All evacuation plan found up to date in all area of facility. Factory management is providing pure drinking water to its workers. Safety guard of all machines were found not in place condition. Factory management has developed trauma and serious illness procedure and training has also been provided to workers on the same and the interviewed workers and responsible persons have found adequate knowledge about trauma and serious illness. Medical information has displayed where workers can get their information and support. Factory management providing training and make maintenance schedule to ensure all safety guard in appropriate place. Factory management has provided workers dining and it was clean and hygienic. All the toilets were found clean and maintained properly by the management. Factory management has provided workers canteen from where workers can buy food easily with cheap cost. 7.23 and 7.24 is marked as N/A since factory management do not have provision for transport and housing facility and it is not mandatory by law.

- 7.1 - Finding:** It was noted that the facility management did not involve workers representatives and workers in the drafting and enforcement of the internal audit and others procedure on occupational health and safety.
কারখানায় স্বাস্থ্য ও নিরাপত্তা বিষয়ে অভ্যন্তরীণ পদ্ধতিতে এবং কার্যকরকরণ কর্মীদের প্রতিনিধি ও শ্রমিকদের পুরোপুরি অন্তর্ভুক্ত ছিল না (আমফরি বিএসসিআই সিওসি অনুযায়ী)
- 7.5 - Finding:** It was noted that a) insufficient fire fighter found in the facility as per law. Note that facility had 1140 firefighters instead of 2293. b) 18 out of 23 fire-fighters were found not properly aware about firefighting knowledge e.g. types of fire and fire extinguishers, use of fire equipment.
কারখানায় আইন অনুযায়ী অপর্যাপ্ত সংখ্যক অগ্নি নিরাপত্তা কর্মী রয়েছে এবং অগ্নি নির্বাপন দলের সদস্য রা অগ্নি নির্বাপন প্রক্রিয়া সম্পর্কে ভালো ভাবে জানে না। (আমফরি বিএসসিআই সিওসি অনুযায়ী)
- 7.10 - Finding:** It was noted through document review and management interview that a) the Factory has recorded injury but do not have calculated lost time for injury in terms of monetary value as per amfori BSCI requirement. b) there was no procedure in place for reporting and giving awareness training on near-misses (incident that could have been turned into accident).
কারখানার পেশাগত আঘাত / দুর্ঘটনাবলি রেকর্ড করেছে, কিন্তু বি এস সি আই নীতিমালা অনুযায়ী বিশ্লেষণ করা হয়নি (দুর্ঘটনা / আঘাতের কারণে নষ্ট হওয়া সময়ের আর্থিক লসের হিসাব সহ)। কারখানায় সম্ভাব্য দুর্ঘটনার লিপিবদ্ধ করার কোন ব্যবস্থা নেই। (আমফরি বিএসসিআই সিওসি অনুযায়ী)
- 7.11 - Finding:** It was noted that 01 out of 06 boiler license of the factory has been expired on May 15, 2019. Besides, factory management has applied for the renewal of the boiler license to respective authority on May 05, 2019.
কারখানার বয়লার লাইসেন্স মেয়াদউত্তীর্ণ কিন্তু আবেদন করা হয়েছে। (আমফরি বিএসসিআই সিওসি অনুযায়ী)
- 7.17 - Finding:** It was noted that, a) eye guard found in displaced condition in randomly checked 16 out of 22 overlock machine of sewing sections. b) around 20% needle guard of sewing machine found in displaced condition at sewing section.
কিছু ওভারলক মেশিন এ আই গার্ড বিচ্যুত অবস্থায় পাওয়া গেছে এবং স্যাম্পল সেকশন এ কিছু সুইং মেশিনের নিডেল গার্ড বিচ্যুত অবস্থায় পাওয়া গেছে। (আমফরি বিএসসিআই সিওসি অনুযায়ী)

Remarks from Auditee

We will do corrective action accordingly.

Performance Area 8 : No Child Labour

1- Followup Audit [Audit Id - 183451] Audit Date: 14/06/2020 PA Score: A

Deadline date:

GOOD PRACTICES:

AREAS OF IMPROVEMENT:

As there was no finding in this performance area in previous audit, so marked this performance area as not rated during follow up audit.

Remarks from Auditee:

Full Audit [Audit Id - 152426] Audit Date: 25/05/2019 PA Score: A

Deadline date:

Good practices

No good practice was noted under this performance area.

Areas of improvement

Overall Comments: During audit, it was observed that the auditee fulfills the requirements of this performance area as all the questions have been marked as "yes". The reason behind "yes" marking mentioned because: 8.1: No child workers were observed in the facility premises. All workers are hired by the Human Resource Department only and minimum hiring age of the facility is 18 years of old. 8.2: The facility management preserves a copy of Birth Certificates, Educational Certificates and National ID Card in each worker's personal file for better verification of age. All workers having identification card. Person in charge in human resource is adequately trained on age verification process. 8.3: Facility management has a systematic analysis of circumstance of child labor occur. 8.4: Facility management has good understanding on child labor eradicated and if found then how rehabilitated into society. Facility management has developed child labour policy and child labour remediation policy.

Remarks from Auditee

Performance Area 9 : Special protection for young workers	
1- Followup Audit [Audit Id - 183451] Audit Date: 14/06/2020 PA Score: A	Deadline date:
GOOD PRACTICES:	
AREAS OF IMPROVEMENT:	
As there was no finding in this performance area in previous audit, so marked this performance area as not rated during follow up audit.	
Remarks from Auditee:	
Full Audit [Audit Id - 152426] Audit Date: 25/05/2019 PA Score: A	Deadline date:
<u>Good practices</u>	
No good practice was noted under this performance area.	
<u>Areas of improvement</u>	
Overall Comments: During the audit, it was observed that, the auditee fulfills the requirements of this performance area as all questions have been answered "yes & N/A". The reason behind "yes & N/A" marking has mentioned as: During the plant tour, no young-looking workers were observed in the facility premises. Minimum hiring age of the facility is 18 years of old. Facility management has verified the age of the workers during recruitment. Facility management has also developed a detailed written policy and procedure if they ever find any young workers. They have clearly mentioned in their policy that they would comply with local law in terms of working hour, health & safety requirements for young workers if detected. Point 9.6 is not applicable as there was no young-looking workers were observed in the facility.	
<u>Remarks from Auditee</u>	
Performance Area 10 : No Precarious Employment	
1- Followup Audit [Audit Id - 183451] Audit Date: 14/06/2020 PA Score: A	Deadline date:
GOOD PRACTICES:	
AREAS OF IMPROVEMENT:	
As there was no finding in this performance area in previous audit, so marked this performance area as not rated during follow up audit.	
Remarks from Auditee:	
Full Audit [Audit Id - 152426] Audit Date: 25/05/2019 PA Score: A	Deadline date:
<u>Good practices</u>	
No good practice was noted under this performance area.	
<u>Areas of improvement</u>	
Overall Comments: During audit, it was observed that, the auditee fulfills the all requirements of this performance area. The reason behind "yes" marking have mentioned as: The reason behind marking "yes and partially" is mentioned as: 10.1: The facility management recruits the workers through advertisement or internal reference. Workers are selected based on the result of the examination taken on working skill of workers during the recruitment process. Work cycles are maintained properly. Workers job descriptions are described in the employment conditions and already communicated to the newly joined workers. Facility management did not use any temporary workers for permanent nature of job. 10.2: Facility management issues appointment letter to the all workers and ID card to all the employees of the facility in local language. The personnel files of workers are maintained by the facility. However, facility ensure prescribed nominee form as per law to receive payment and other dues in the absence of that employee. 10.3: Workers service book is updated. Workers job contract included with description of duties and responsibilities in the personal file. Facility management is providing workers' handbook to its worker. 10.4: Facility management has good understanding of additional risk for arrangements of apprenticeship schemes, seasonal workers.	
<u>Remarks from Auditee</u>	

Performance Area 11 : No Bonded Labour

1- Followup Audit [Audit Id - 183451] Audit Date: 14/06/2020 PA Score: A

Deadline date:31/10/2020

GOOD PRACTICES:

No Good Practice observed for this performance area.

AREAS OF IMPROVEMENT:

Overall Comments: During audit, it was observed that, the auditee partially fulfills the requirements of this performance area as 01 questionnaire (11.4) has been marked as a partially. The reason behind 'Partially, yes and Not Rated' marking has mentioned as: Factory management does not engage any force labor, bonded labor. They developed a well procedure of no bonded labor. Manager and supervisor level were well aware on bonded labor policy. 11.2 marked as Not Rated as there is no migrant worker available in the factory. Employees are free to leave factory and no restriction on workers freedom of movement in the premises. No pressure from security guards to hold workers once they get authorized leave from management. During interview, workers confirmed that all of their dues correctly paid in case they want to leave factory for better opportunity. During documents review no evidence of any punishment were found but randomly selected sampled workers were found not well aware on disciplinary procedure of the factory.

11.4 - Not corrected: During this follow up audit still 16 out of 26 interviewed workers were found not well aware about the disciplinary procedure of the factory management.

Remarks from Auditee:

We would take corrective action.

Full Audit [Audit Id - 152426] Audit Date: 25/05/2019 PA Score: A

Deadline date:31/07/2019

Good practices

No good practice was noted under this performance area.

Areas of improvement

Overall Comments: During audit, it was observed that the auditee partially fulfills the requirements of this performance area as 01 question (11.4) has been marked as partially. The reason behind "yes, N/A and partially" marking has mentioned as: Facility management does not engage any force labor, bonded labor. They developed a well procedure of no bonded labor. Manager and supervisor level were well aware on bonded labor policy. Employees are free to leave facility and no restriction on workers to free movement in the premises. No pressure from security guards to hold workers once they get authorized leave from management. During interview, workers confirmed that all of their dues correctly paid in case they want to leave facility for better opportunity. During documents review no evidence of any punishment were found but some of selected sampled workers are found not well aware on disciplinary procedure of the facility. Question 11.2 marked as N/A, as there are no migrant workers found working in the facility during audit day.

11.4 - Findings: It was noted through worker's interview that, 25 out of 38 workers were found not aware about the disciplinary procedure of the factory management.

কারখানার শাস্তিমূলক পদ্ধতি সম্পর্কে ৩৮ জনের মধ্যে ২৫ জন প্রমিকরা সচেতন নয়। (আমফরি বিএসসিআই সিওসি অনুযায়ী)

Remarks from Auditee

We will do corrective action accordingly.

Performance Area 12 : Protection of the Environment

1- Followup Audit [Audit Id - 183451] Audit Date: 14/06/2020 PA Score: A

Deadline date:31/10/2020

GOOD PRACTICES:

No Good Practice observed for this performance area.

AREAS OF IMPROVEMENT:

Overall Comments: During audit, it was observed that, the auditee partially fulfills the requirements of this performance area as 01 questionnaire (12.4) has been marked as a partially. The reason behind "yes and partially" marking have mentioned as: 12.1: Factory management has been assessed environmental impact assessment by one of the third-party service provider company. As per the assessment report, no significant impact was identified by existing production process. 12.2: Environmental policy and procedure is up to date. Workers aware of the company policy and procedures for waste management. 12.3: No legal permit of environmental aspect is required from department of environment as this is not required based on nature of production process. 12.4: The facility has managed all kinds of waste including packaging materials in an environmentally safe condition but some wastage found kept in without proper segregation. Also, no burning waste in open fires. 12.5: Factory management understand the importance of proper water management. Risk assessment has been carried out over the period on water waste reduction. Factory management has system to preserve and harvesting of rainwater to ensure better environment in the premises and reduce pressure on ground water. Management is trying to increase awareness of water waste reduction through some awareness session.

12.4 - New Finding: During this follow up audit it was noted that, factory have separate wastage store area, but still some wastage like electrical wire, plastic pipe, metal, bricks etc. were found in electrical wastage sell area without segregation.

12.5 - Corrected: During this follow up audit it was noted that risk assessment conducted on water waste reduction. And facility have procedure to prevent water lose and have a system to preserve natural water resource (recycling practices) to ensure better environment in the premises.

Remarks from Auditee:

We would take corrective action.

Full Audit [Audit Id - 152426] Audit Date: 25/05/2019 PA Score: A

Deadline date:31/03/2020

Good practices

No good practice was noted under this performance area.

Areas of improvement

Overall Comments: During audit, it was observed that the auditee partially fulfills the requirements of this performance area as 01 questionnaire (12.5) has been marked as a partially. The reason behind "yes and partially" marking has mentioned as: 12.1: Factory management has assessed environmental impact assessment by one of the third-party service provider company. As per the assessment report, no significant impact was identified by existing production process. 12.2: Environmental policy and procedure is up to date. Workers aware of the company policy and procedures for waste management. 12.3: No legal permit of environmental aspect is required from department of environment as this is not required based on nature of production process. 12.4: The facility has managed all kinds of waste including packaging materials as required like stored by type and hazard in separate designated area. No wastages were found in open place at the factory. 12.5: Factory management understand the importance of proper water management. Factory management has mentioned that they will introduce a system to preserve natural water resource (recycling practices) to ensure better environment in the premises and reduce pressure on ground water but implementation on the same in not identifiable. However, facility has yet to be conducted risk assessment on water waste reduction and but provided awareness training on water waste reduction through some awareness session to employees.

12.5 - Finding: It was noted that a) No risk assessment conducted on water waste reduction. b) Facility did not have any procedure to prevent water lose and have a system to preserve natural water resource (recycling practices) to ensure better environment in the premises. However, facility management is planning to do so.

পানি সংরক্ষণ এবং পানির অপচয় হ্রাসকে উৎসাহিত করার জন্য এই কারখানাটি এখনো কোনও ঝুঁকি নির্ণয় করেনি। গভীর নলকূপের পানি সংরক্ষণ এর কোনো প্রকল্প বাস্তবায়ন ব্যবস্থা করে নি যদিও কর্তৃপক্ষের এ ব্যাপারে পরিকল্পনা রয়েছে। (আমফরি বিএসসিআই সিওসি অনুযায়ী)

Remarks from Auditee

We will do corrective action accordingly.

Performance Area 13 : Ethical Business Behaviour

1- Followup Audit [Audit Id - 183451] Audit Date: 14/06/2020 PA Score: A

Deadline date:

GOOD PRACTICES:

No Good Practice observed for this performance area.

AREAS OF IMPROVEMENT:

Overall Comments: During audit it was observed that, the auditee fulfills the requirements of this performance area. The reason behind "yes" marking has mentioned below. Factory management has developed an Anti-Corruption Policy. Factory management has communicated Anti - corruption policy with their business partners. Factory management has introduced reward system to maintain ethical behavior. Factory management has identified the potential areas of corruption and possible solution of mitigate anti-corruption issue. Management has provided training about the ethical behavior to the workers and the persons related to ethical behavior.

- 13.1 - Corrected: During this follow up audit it was noted that factory management have identified the potential area of corruption and possible solution of mitigate anti-corruption issues. Also, facility has provided training to the persons related to ethical behavior.

Remarks from Auditee:

Full Audit [Audit Id - 152426] Audit Date: 25/05/2019 PA Score: A

Deadline date:31/08/2019

Good practices

No good practice was noted under this performance area.

Areas of improvement

Overall Comments: During audit, it was observed that the auditee partially fulfills the requirements of this performance area as 01 questions (13.1) has been marked as a partially. The reason behind "Yes and partially" marking has mentioned as: Factory management has developed an Anti-Bribery Policy. During audit, no corruption or bribery related issues were noticed from the interviewed workers. Facility has policy on anti-corruption and bribery, but they did not identify the potential areas of corruption and possible solution of mitigate anti-corruption issue. The facility communicated the anti-corruption policy with their business partner but need to train the person on ethical behavior system related the ethical behavior in the business system. Facility have a reward system for maintaining ethical behavior.

- 13.1 - Finding: it was noted that a): The factory management did not identify the potential areas of corruption and possible solution of mitigate anti-corruption issue. b): The facility has not provided any training to the persons related to ethical behavior.
ক) কারখানা পরিচালনার দুর্নীতির সম্ভাব্য এলাকায় চিহ্নিত করা হয় না। খ) কারখানার ব্যবস্থাপনা নৈতিক আচরণ এর সাথে সম্পর্কিত ব্যক্তিকে কোন প্রশিক্ষণ প্রদান করেননি।
(আমফরি বিএসসিআই সিওসি অনুযায়ী)

Remarks from Auditee

We will do corrective action accordingly.

Summary



Audit Type	Date	Audit Id	PA1	PA2	PA3	PA4	PA5	PA6	PA7	PA8	PA9	PA10	PA11	PA12	PA13	Overall Rating
Follow-up Audit	14/06/2020	183451	D	B	A	C	A	C	A	A	A	A	A	A	A	C
Full Audit	25/05/2019	152426	D	C	A	C	A	C	A	A	A	A	A	A	A	C

Producer Photos



External photo(s) of the production unit(s)
Disinfection tunnel.JPG



External photo(s) of the production unit(s)
Factory building.JPG



External photo(s) of the production unit(s)
Main gate.JPG



External photo(s) of the production unit(s)
Open rooftop.JPG



External photo(s) of the production unit(s)
Workers hand wash area before entering factory.JPG



Photo first aid facilities
First aid box.JPG



Photo first aid facilities
First aider with identification dress.JPG



Photo first aid facilities
Medical room.JPG



Photo of fire safety equipment
Emergency light.JPG



Photo of fire safety equipment
Evacuation plan posted.JPG



Photo of fire safety equipment
Exit sign.JPG



Photo of fire safety equipment
Fire alarm call point.JPG



Photo of fire safety equipment
Fire alarm.JPG



Photo of fire safety equipment
Fire control panel.JPG



Photo of fire safety equipment
Fire extinguisher.JPG



Photo of fire safety equipment
Fire fighters with identification dress.JPG



Photo of fire safety equipment
Fire fighting equipments.JPG



Photo of fire safety equipment
Fire hose cabinet.JPG



Photo of fire safety equipment
Fire hose demonstration.JPG



Photo of fire safety equipment
Fire rated door.JPG



Photo of fire safety equipment
Public address (PA) system.JPG



Photo of fire safety equipment
Smoke detector.JPG



Photo of the canteen (if applicable)
Canteen.JPG



Photo of the canteen (if applicable)
Dining.JPG



Photo of the code of conduct on display
BSCI COC posted.JPG



Photo of the inside of the main production hall
Cutting section.JPG



Photo of the inside of the main production hall
Drinking water point.JPG



Photo of the inside of the main production hall
Eye guard found properly placed in overlock machine.JPG



Photo of the inside of the main production hall
Eye wash station.JPG



Photo of the inside of the main production hall
Finished goods area.JPG



Photo of the inside of the main production hall
Finishing section.JPG



Photo of the inside of the main production hall
Generator room.JPG



Photo of the inside of the main production hall
Grievance box.JPG



Photo of the inside of the main production hall
Notice board.JPG



Photo of the inside of the main production hall
Packing area.JPG



Photo of the inside of the main production hall
Policy board.JPG



Photo of the inside of the main production hall
Sewing section.JPG



Photo of the inside of the main production hall
Staircase.JPG



Photo of the nursery (if applicable)
Childcare room.JPG



Photo of the personal protection equipments (if applicable)
Cutting section worker using PPE.JPG



Photo of the sanitary facilities
Toilet.JPG



Photo of non-conformity
Eye guard displaced in button stitched machines.JPG



Photo of non-conformity
Needle guard displaced in sewing machine.JPG



Photo of non-conformity
Wastage found without segregation.JPG