GLOBAL SECURITY VERIFICATION

Facility Name: A.K.M Knitwear Ltd.

Country:	**Bangladesh**	Assessment Stage:	**Annual**
Date of Verification:	**26-Jul-2020**	Report Number:	**A4862376**
Last Verification Date:		Site ID:	**F_IAR_522**
Auditor Primary:	**Ms Khadiza Parvin**	Service Provider:	**Intertek**
Auditor Secondary:	**Mr. Ariful Islam**		

OVERALL FACILITY SCORE   83%

PERFORMANCE INDEX BAR

The Bar is used to measure and benchmark the facility's score against the other population of audit results in the database. The overall score represents a % deduction in the number of findings across the entire checklist based on importance weight.

High Risk Priority (0-75)   **Medium Risk Priority (76-85%)**   **Low Risk Priority (86-100%)**

This Facility 83%
Average Country 82%
Average Global 80%
Industry Average 80%

Participating Facilities: 1063

The C-TPAT Security Criteria and Guidelines indicate that "Must" is a requirement of the program participation. "Should" means that the procedure is considered to be an industry "best practice."

PERFORMANCE SUMMARY

Section Name	Score	Must - High	Must - Low	Should - High	Should - Low
Security Vision and Responsibility	**97%**	**0**	**0**	**0**	**2**
Risk Assessment	**82%**	**0**	**1**	**1**	**0**
Business Partners	**100%**	**0**	**0**	**0**	**0**
Cyber Security	**100%**	**0**	**0**	**0**	**0**
Conveyance and Instruments of International Traffic Security	**93%**	**0**	**0**	**1**	**0**
Seal Security	**100%**	**0**	**0**	**0**	**0**
Procedural Security	**88%**	**0**	**1**	**0**	**0**
Agricultural Security	**NA**	**-**	**-**	**-**	**-**
Physical Security	**93%**	**0**	**0**	**1**	**0**
Physical Access Controls	**100%**	**0**	**0**	**0**	**0**
Personnel Security	**100%**	**0**	**0**	**0**	**0**
Education, Training and Awareness	**82%**	**0**	**1**	**1**	**0**
OverAll	**83%**	**0**	**3**	**4**	**2**

Intertek's GSV integrates multiple global supply-chain security initiatives, including C-TPAT (Customs Trade Partnership Against Terrorism), PIP (Partners in Protection) and AEO (Authorized Economic Operators).

Global Security Verification Report, A.K.M Knitwear Ltd.

A. FACILITY PROFILE

A1. FACILITY INFORMATION

Facility Name:	**A.K.M Knitwear Ltd.**	Contact Name:	**Mr. Md. Anwar Hossain**
Facility Legal Name:	**A.K.M. Knit Wear Limited**	Contact Title:	**Deputy Manager- HR & Compliance**
Audit Location:	**14, Gedda, Karnopara, Ulail, Savar, Dhaka**	Email:	**siacom@pacificbluejeans.com**
City:	**Savar**	Country:	**Bangladesh**

A2. EMPLOYEE INFORMATION

NUMBER OF EMPLOYEES

Range	Actual Total	Permanent	Temporary	Foreign	Migrant
5000+	**11918(100%)**	**11918(100%)**	**0(0%)**	**0(0%)**	**0(0%)**

List of Nationalities: **NA**

A3. BUSINESS OVERVIEW

Industry:	**Apparel**	Warehouse customs bonded:	**Yes**
Key/Main Product:	**All types of woven item.**	Free trade zone:	**No**
Facility land size:	**129499**	Total facility floor size:	**79249**

Total Nr of Buildings	Distribution	Production	Warehouse	Container Yards	Others
4	0	1	0	0	3

Security Program Participation	Issuing Body	Certificate Number	Expiry Date
None	0	0	

A4. EXPORT LOGISTICS

PERCENTAGE OF GOODS EXPORTED TO US

By Air	By Sea	By Rail	By Truck
0	100	0	0

FACILITY RESPONSIBLE FOR THE RELATIONSHIP WITH THE FOLLOWING TYPE OF LOGISTICS

Air:	**Never**	Consolidators:	**Never**
Sea:	**Always**	Freight Forwarders:	**Always**
Rail:	**Never**	NVOCC:	**Never**
Land Carriers:	**Always**	Other 3rd party logistics providers:	**Always**

The companies used vary routes:	**Yes**	The companies used Global Positioning Satellite (GPS):	**No**
The companies used employ security guards:	**Yes**	The companies used truck convoys:	**No**
The companies used provide vehicle escort:	**Yes**		

A5. GENERAL INFORMATION

Brief description of the facility:

The audited facility "A.K.M. Knit Wear Limited.'" is located at 14, Gedda, Karnopara, Ulail,Savar, Dhaka, Bangladesh. The facility started its operation since 2000. The Land area of the facility premises is about 129499 square meters and floor are is about 8530033 square meter including warehouse area. Productions processes are of the facility are Cutting, Sewing, Finishing & Packing. Facility has 11918 employees (6451 female and 5467 male employees). Among 11918 employees, 9784 are production employees, 1892 are non-production employees and 242 are management employees. As per factory management production round the year same. The production capacity of the facility is 26,00,000 pieces per month. Facility has one working shift and start from 8:00 AM to 5:00 PM and Lunch break 2 shifts; start from 12:30 PM to 1:30 PM & 1:00 PM to 2:00 PM.The facility remains open Saturday to Thursday in a week. Friday is their weekly holiday.Facility has 02 entry/exit gates and secured with security guards and CCTV cameras. Facility is using total 149 own security personnel and monitored by 332 active CCTV cameras in different location of the facility. Facility packing area finished goods warehouse and loading/unloading area was found secured by security monitoring. Facility management was full cooperative during the whole audit process.

Brief description of loading process for shipment:

Facility conduct 7-point inspection for the empty trucks arrived at the facility for shipment. After the confirmation from commercial supervisor and transport security responsible person the container is sent to the loading point with fencing. As per facility management comments authorized employees (loaders) load the containers (as per loading plan) by finished goods (with proper count & weight measurement system), pictures of the authorized employee at loading/ unloading area found posted to restrict unauthorized entry.

Brief description of sealing process:

Facility has a designated assigned employee to handle high security seals. After the completion of container loading (as per loading plan) responsible person assigned from store seal the containers in front of security supervisor and keep record of the seal number for tracking and inventory. Documentation record for the seals used in shipment found for one year.

Brief description of direct shipments to port process:

Shipment from facility goes directly to Chittagong port. In port authority receive the covered van after checking the seal. After completing loading and sealing process, shipments go directly to the port. Facility communicate with driver to monitoring the movement of their shipments but facility did not use GPS tracking system.

In-country transport services detail:

Facility uses "Sajib Transport" for shipment.

Required transit time between audited facility to the port / the next supply chain:

Approximately 9 to 10 hours is the transit time in between the audited facility and port.

CCTV details:

Facility has 332 CCTV cameras in different location of the facility. They have installed CCTV cameras at main gate, perimeter, all sensitive areas, production floor etc.

Security guard force details:

Facility has total 149 security guards by own who are assigned in different location of the facility.

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B. RESULT DETAILS

The following section includes all findings noted during the on-site audit.

Security Vision and Responsibility					97% 🟩
RATING	**Must - High**	**Must - Low**	**Should - High**	**Should - Low**	**Total**
NEW NON-COMPLIANCES	0	0	0	2	2

New Non- Compliances

ID # O0002	**Finding** **The Statement of Support is not part of the company's security awareness training.**	**Rating** Should - Low
% of occurrence at other facilities None	**Past occurrences at this facility** None	
Auditor Comments It was noted through document review and management interview that Human trafficking, human smuggling, drag trafficking is not part of the company's security awareness training.		

New Non- Compliances

ID # O0003	**Finding** **The Statement of Support is not posted in key strategic areas.**	**Rating** Should - Low
% of occurrence at other facilities None	**Past occurrences at this facility** None	
Auditor Comments It was noted through document review and management interview that the company's statement highlighting the importance of protecting the supply chain from criminal activities such as drug trafficking, terrorism, human smuggling and illegal contraband were not posted in key strategic areas.		

Risk Assessment					82% 🟨
RATING	**Must - High**	**Must - Low**	**Should - High**	**Should - Low**	**Total**
NEW NON-COMPLIANCES	0	1	1	0	2

New Non- Compliances

ID # O0103	**Finding** **The company does not conduct and document its international risk assessment.**	**Rating** Must - Low
% of occurrence at other facilities None	**Past occurrences at this facility** None	
Auditor Comments It was noted through document review and management interview that the company did not conduct international risk assessment.		

New Non- Compliances

ID # O0120	**Finding** **The company does not have security contingency plan.**	**Rating** Should - High

% of occurrence at other facilities None	Past occurrences at this facility None
Auditor Comments It was noted through document review and management interview that facility does not have security contingency plan.	

Business Partners — 100% ■

RATING	Must - High	Must - Low	Should - High	Should - Low	Total
NEW NON-COMPLIANCES	0	0	0	0	0

No findings noted

Cyber Security — 100% ■

RATING	Must - High	Must - Low	Should - High	Should - Low	Total
NEW NON-COMPLIANCES	0	0	0	0	0

No findings noted

Conveyance and Instruments of International Traffic Security — 93% ■

RATING	Must - High	Must - Low	Should - High	Should - Low	Total
NEW NON-COMPLIANCES	0	0	1	0	1

New Non- Compliances

ID # O0251	Finding The company does not have access to their carrier's GPS fleet monitoring system or track the movement of their shipments.	Rating Should - High
% of occurrence at other facilities None	Past occurrences at this facility None	
Auditor Comments It was noted through document review and management interview that facility did not use GPS tracking system but facility communicate with driver to monitoring the movement of their shipments.		

Seal Security — 100% ■

RATING	Must - High	Must - Low	Should - High	Should - Low	Total
NEW NON-COMPLIANCES	0	0	0	0	0

No findings noted

Procedural Security — 88% ■

RATING	Must - High	Must - Low	Should - High	Should - Low	Total
NEW NON-COMPLIANCES	0	1	0	0	1

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New Non- Compliances

ID # O0303	Finding Cargo staging and the surrounding areas are not regularly inspected and evident pest contamination is noted.	Rating Must - Low
% of occurrence at other facilities None	Past occurrences at this facility None	
Auditor Comments It was noted through document review and management interview that facility did not regularly inspect the Cargo staging and the surrounding areas for pest contamination.		

Agricultural Security	NA

Not applicable to this site

Physical Security				93% ■

RATING	Must - High	Must - Low	Should - High	Should - Low	Total
NEW NON-COMPLIANCES	0	0	1	0	1

New Non- Compliances

ID # O0405	Finding CCTV alarms are not used to alert a company to unauthorized access into sensitive areas.	Rating Should - High
% of occurrence at other facilities None	Past occurrences at this facility None	
Auditor Comments It was noted through facility visit and management interview that facility has no CCTV alarm system to alert an unauthorized access into sensitive areas.		

Physical Access Controls				100% ■

RATING	Must - High	Must - Low	Should - High	Should - Low	Total
NEW NON-COMPLIANCES	0	0	0	0	0

No findings noted

Personnel Security				100% ■

RATING	Must - High	Must - Low	Should - High	Should - Low	Total
NEW NON-COMPLIANCES	0	0	0	0	0

No findings noted

Education, Training and Awareness	82% ■

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RATING	Must - High	Must - Low	Should - High	Should - Low	Total
NEW NON-COMPLIANCES	0	1	1	0	2

New Non- Compliances

ID # O0485	**Finding** **The company does not perform emergency response mock drills.**	Rating **Should - High**

% of occurrence at other facilities None	Past occurrences at this facility None

Auditor Comments It was noted through document review and management interview that facility does not perform emergency response mock drills.

New Non- Compliances

ID # O0489	**Finding** **Employees are not trained on the company's cybersecurity policies and procedures.**	Rating **Must - Low**

% of occurrence at other facilities None	Past occurrences at this facility None

Auditor Comments It was noted through document review, management interview and employees interview that facility did not provided training to their employees on the company's cybersecurity policies and procedures.

C. BEST PRACTICES AND RECOMMENDED BEST PRACTICES

CBP describes Best Practices as innovative security measures that exceeds the CTPAT criteria and industry standards. For C-TPAT purposes, a best practice must meet all five of the following requirements, all of which are subject to verification: (1. Senior management support; 2. Innovative technology, process or procedures; 3. Documented process; 4. Verifiable evidence; and, 5. A regular system of checks, balances and accountability.)

Existing Best Practices:

1. Business Partners

- Not applicable

2. Cyber Security

- Not applicable

3. Conveyance and Instruments of International Traffic Security

- Not applicable

4. Seal Security

- Not applicable

5. Procedural Security

- Not applicable

6. Agricultural Security

- Not applicable

7. Physical Security

- Not applicable

8. Physical Access Controls

- Not applicable

9. Personnel Security

- Not applicable

10. Education, Training and Awareness

- Not applicable

Recommended Best Practices:

1. Business Partners

- Not applicable

2. Cyber Security

- Not applicable

3. Conveyance and Instruments of International Traffic Security

- Not applicable

4. Seal Security

- Not applicable

5. Procedural Security

- Not applicable

6. Agricultural Security

- Not applicable

7. Physical Security

- Not applicable

8. Physical Access Controls

- Not applicable

9. Personnel Security

- Not applicable

10. Education, Training and Awareness

- Not applicable

D. PERFORMANCE TREND ANALYSIS

Section Name	Current 26-Jul-2020	Last NA	First NA	Change (Current-Last)	Change (Current-First)
Security Vision and Responsibility	97	NA	NA	NA	NA
Risk Assessment	82	NA	NA	NA	NA
Business Partners	100	NA	NA	NA	NA
Cyber Security	100	NA	NA	NA	NA
Conveyance and Instruments of International Traffic Security	93	NA	NA	NA	NA
Seal Security	100	NA	NA	NA	NA
Procedural Security	88	NA	NA	NA	NA
Agricultural Security	NA	NA	NA	NA	NA
Physical Security	93	NA	NA	NA	NA
Physical Access Controls	100	NA	NA	NA	NA
Personnel Security	100	NA	NA	NA	NA
Education, Training and Awareness	82	NA	NA	NA	NA
Overall Score	83	NA	NA	NA	NA

▲ Advancers ▬ Constant ▼ Decliner

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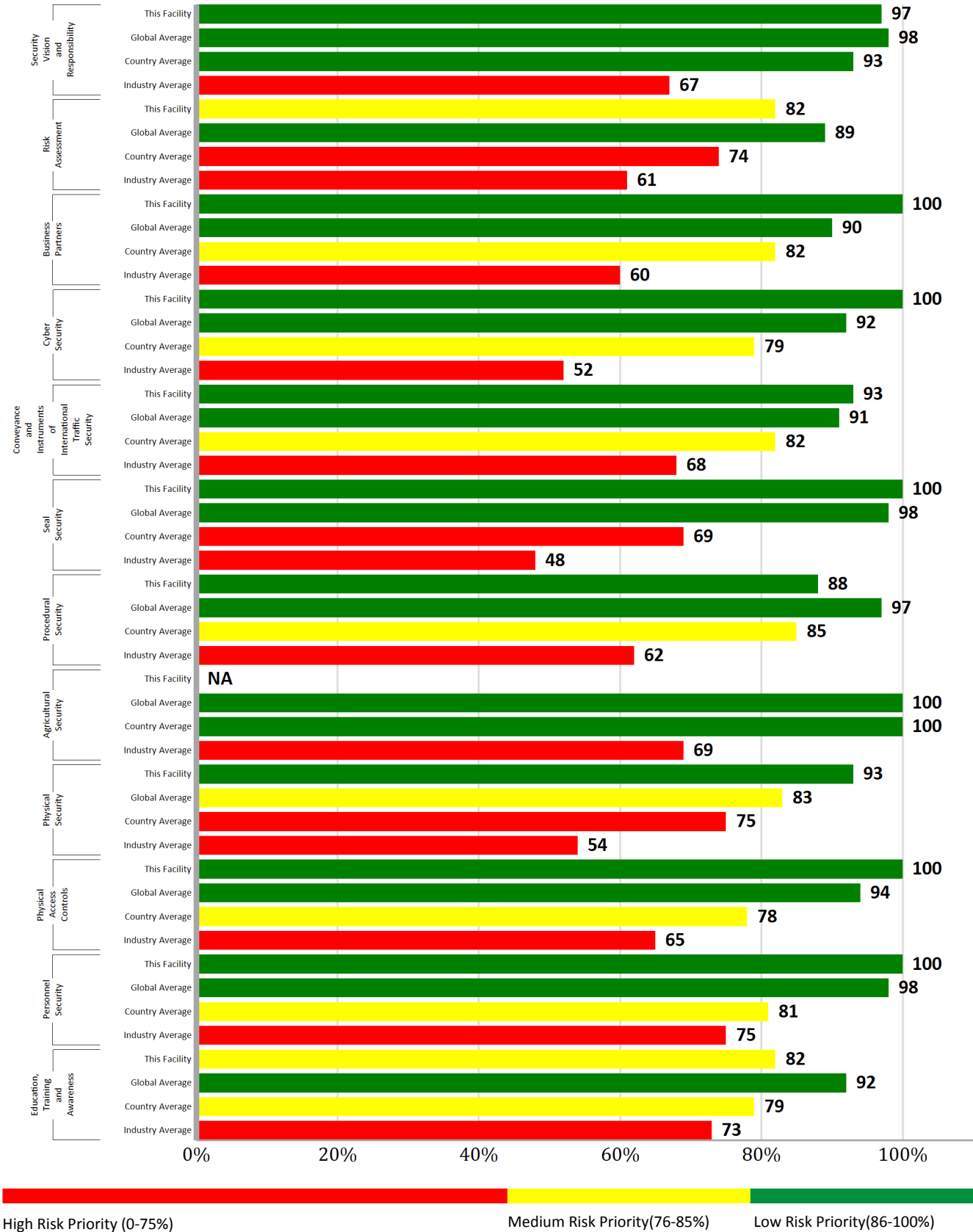
E. KEY STRENGTHS AND CHALLENGES

Criteria	Facility Strengths: Facility performance ranks in the top percentile of the population and/or has implemented a best practice process	Global Freq. of Compliance %
Compliant	Business partner's security assessment is reviewed periodically.	90%
Compliant	All cargo handling and storage facilities, including trailer yards and offices have physical barriers and/or deterrents that prevent unauthorized access.	90%
Compliant	Visitors' log is maintained which records the details of the visit. A photo identification is required and temporary IDs are issued and are required to be worn at all times. All visitors are escorted.	90%
Compliant	The company conducts audits of seals that includes periodic inventory of stored seals and reconciliation against seal inventory logs and shipping documents and all audits are documented.	91%
Compliant	Seal numbers are electronically printed on the bill of lading or other shipping documents.	91%
Compliant	The company demonstrates effective asset management over assets containing sensitive information through regular controlled inventories. Effective media sanitization and disposal should be in accordance with NIST Guidelines or other appropriate industry guidelines.	91%
Compliant	Where the company makes allowance for the use of personal devices to conduct company work, provisions for the company's cybersecurity policies and procedures are installed and regularly updated in order to engage with the Company Network.	91%
Compliant	The company has a documented social compliance program that ensures goods imported into the United States were not mined, produced or manufactured, wholly or in part, with prohibited forms of forced, imprisoned, indentured, or indentured child labor.	91%
Compliant	The company has established and maintained a written security awareness program covering awareness of current terrorist threat(s), smuggling trends, and seizures in place to ensure employees understand the threat posed by terrorist at each point of the supply chain.	91%
Compliant	The company has written procedures governing how identification badges and access devices are granted, changed, and removed.	92%

Criteria	Facility Challenges: Facility prformance ranks in the bottom percentile of the population	Global Freq. of Compliance %
Should - High	CCTV alarms are not used to alert a company to unauthorized access into sensitive areas.	45%
Should - High	The company does not perform emergency response mock drills.	34%
Should - High	The company does not have access to their carrier's GPS fleet monitoring system or track the movement of their shipments.	30%
Must - Low	The company does not conduct and document its international risk assessment.	24%
Should - High	The company does not have security contingency plan.	15%
Should - Low	The Statement of Support is not posted in key strategic areas.	12%
Must - Low	Cargo staging and the surrounding areas are not regularly inspected and evident pest contamination is noted.	4%
Must - Low	Employees are not trained on the company's cybersecurity policies and procedures.	4%
Should - Low	The Statement of Support is not part of the company's security awareness training.	2%

F. COMPARISON BENCHMARK

Category	This Facility	Global Average	Country Average	Industry Average
Security Vision and Responsibility	97	98	93	67
Risk Assessment	82	89	74	61
Business Partners	100	90	82	60
Cyber Security	100	92	79	52
Conveyance and Instruments of International Traffic Security	93	91	82	68
Seal Security	100	98	69	48
Procedural Security	88	97	85	62
Agricultural Security	NA	100	100	69
Physical Security	93	83	75	54
Physical Access Controls	100	94	78	65
Personnel Security	100	98	81	75
Education, Training and Awareness	82	92	79	73

High Risk Priority (0-75%)　　　Medium Risk Priority(76-85%)　　　Low Risk Priority(86-100%)

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