




Sedex Members Ethical Trade Audit Report

Version 6.1



Audit Details			
Sedex Company Reference: (only available on Sedex System)	ZC: 1067911	Sedex Site Reference: (only available on Sedex System)	ZS: 1038219
Business name (Company name):	A.K.M Knit Wear Limited		
Site name:	A.K.M Knit Wear Limited		
Site address: (Please include full address)	14, Gedda, Karnopara, Ulail, Savar, Dhaka	Country:	Bangladesh
Site contact and job title:	Mr. Md. Rasel Ahmed-Asst. General Manager (HR & Compliance)		
Site phone:	+8801766699689	Site e-mail:	siacom@pacificbluejeans.com
SMETA Audit Pillars:	<input checked="" type="checkbox"/> Labour Standards	<input checked="" type="checkbox"/> Health & Safety (plus Environment 2-Pillar)	<input type="checkbox"/> Environment 4-pillar <input type="checkbox"/> Business Ethics
Date of Audit:	21 & 22 July 2020		

Audit Company Name & Logo: ITS Labtest Bangladesh Ltd. 	Report Owner (payer): A.K.M Knit Wear Limited
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Audit Conducted By					
Affiliate Audit Company	<input checked="" type="checkbox"/>	Purchaser	<input type="checkbox"/>	Retailer	<input type="checkbox"/>
Brand owner	<input type="checkbox"/>	NGO	<input type="checkbox"/>	Trade Union	<input type="checkbox"/>
Multi-stakeholder	<input type="checkbox"/>	Combined Audit (select all that apply)			

Audit Content:

(1) A SMETA audit was conducted which included some or all of Labour Standards, Health & Safety, Environment and Business Ethics. The SMETA Best Practice Version 6.1 was applied. The scope of workers included all types at the site e.g. direct employees, agency workers, workers employed by service providers and workers provided by other contractors. Any deviations from the SMETA Methodology are stated (with reasons for deviation) in the SMETA Declaration.

(2) The audit scope was against the following reference documents

2-Pillar SMETA Audit

- ETI Base Code
- SMETA Additions
 - Universal rights covering UNGP
 - Management systems and code implementation,
 - Responsible Recruitment
 - Entitlement to Work & Immigration,
 - Sub-Contracting and Home working,

4-Pillar SMETA

- 2-Pillar requirements plus
- Additional Pillar assessment of Environment
- Additional Pillar assessment of Business Ethics
- The Customer's Supplier Code (Appendix 1)

(3) Where appropriate non-compliances were raised against the ETI code / SMETA Additions & local law and recorded as non-compliances on both the audit report, CAPR and on Sedex.

(4) Any Non-Compliance against customer code shall not be uploaded to Sedex. However, in the CAPR these 'Variances in compliance between ETI code / SMETA Additions/ local law and customer code' shall be noted in the observations section of the CAPR.

SMETA Declaration

I declare that the audit underpinning the following report was conducted in accordance with SMETA Best Practice Guidance and SMETA Measurement Criteria.

- (1) Where appropriate non-compliances were raised against the ETI code / SMETA Additions & local law and recorded as non-compliances on both the audit report, CAPR and on Sedex.
- (2) Any Non-Compliance against customer code alone shall not be uploaded to Sedex. However, in the CAPR these 'Variances in compliance between ETI code / SMETA Additions/ local law and customer code' shall be noted in the observations section of the CAPR.

Any exceptions to this must be recorded here (e.g. different sample size): Sample size is extended as per internal man day guideline. The audit took less time to complete as the support of the factory was prompt.

Auditor Team (s) (please list all including all interviewers): Shahina Kader – Auditor - RA 21703704, Wadud Ahmed Chowdhury- Assistant Manager - RA 21700679, Mazharul Anwar - Auditor - ASCA 21703702 & Md. Rafiqul Islam – Auditor - ASCA 21704621

Lead auditor: Shahina Kader
APSCA number: RA 21703704
Lead auditor APSCA status: In good standing

Team auditor: Wadud Ahmed Chowdhury, Mazharul Anwar & Md. Rafiqul Islam
APSCA number: RA 21700679, ASCA 21703702 & ASCA 21704621

Interviewers: Shahina Kader, Wadud Ahmed Chowdhury, Mazharul Anwar & Md. Rafiqul Islam
APSCA number: RA 21703704, RA 21700679, ASCA 21703702 & ASCA 21704621

Report writer: Shahina Kader

Report reviewer: Mazharul Anwar

Date of declaration: 22 July 2020

Note: The focus of this ethical audit is on the ETI Base Code and local law. The additional elements will not be audited in such depth or scope, but the audit process will still highlight any specific issues.

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

Summary of Findings

Issue (please click on the issue title to go direct to the appropriate audit results by clause) Note to auditor, please ensure that when issuing the audit report, hyperlinks are retained.	Area of Non-Conformity (Only check box when there is a non-conformity, and only in the box/es where the non-conformity can be found)				Record the number of issues by line*:			Findings (note to auditor, summarise in as few words as possible NCs, Obs and GE)
	ETI Base Code	Local Law	Additional Elements	Customer Code	NC	Obs	GE	
0A Universal Rights covering UNGP			<input type="checkbox"/>	<input type="checkbox"/>				
0B Management systems and code implementation		<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>				
1. Freely chosen Employment	<input type="checkbox"/>	<input type="checkbox"/>		<input type="checkbox"/>				
2. Freedom of Association	<input type="checkbox"/>	<input type="checkbox"/>		<input type="checkbox"/>				
3. Safety and Hygienic Conditions	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>		<input type="checkbox"/>	07			Non-Compliance: <ol style="list-style-type: none"> 1. Factory License has been expired 2. Firefighting, rescue and first aid team were found not wearing prescribed identification aprons 3. 40% needle guards of sewing machines in sewing sections were found displaced 4. 8 out of 12 snap button machine operators were not using eye safety goggles 5. Fabric waste generated from cutting process were not properly cleaned

									6. 2 toilet areas at 8th and 9th floor of main production building was found not sufficiently clean and not equipped 7. Facility did not have construction approval from concerned authority.
4	<u>Child Labour</u>	<input type="checkbox"/>	<input type="checkbox"/>		<input type="checkbox"/>				
5	<u>Living Wages and Benefits</u>	<input type="checkbox"/>	<input type="checkbox"/>		<input type="checkbox"/>		01	03	Observations: 1. The facility has settled/paid 65% of gross wages for general work off in April 2020 Good Examples: 1. Facility provides free lunch to all employees as per company policy. 2. Facility provides attendance bonus (BDT 500 & BDT 300) all employees as per company policy. 3. Facility provides Eid groceries to all employees as per company policy
6	<u>Working Hours</u>	<input type="checkbox"/>	<input type="checkbox"/>		<input type="checkbox"/>				
7	<u>Discrimination</u>	<input type="checkbox"/>	<input type="checkbox"/>		<input type="checkbox"/>				
8	<u>Regular Employment</u>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>				
8A	<u>Sub-Contracting and Homeworking</u>		<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>				
9	<u>Harsh or Inhumane Treatment</u>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>				
10A	<u>Entitlement to Work</u>		<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>				

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

General observations and summary of the site:

- A.K.M Knit Wear Limited has started its operation in December 2000.
- The facility located at 14, Gedda, Karnopara, Ulail, Savar, Dhaka
- Total land area of the facility premises 853000 square feet, production and warehouse area 700000 square feet and 85000 square feet respectively.
- The product manufactured at this site is Readymade Garment (Woven Products, Top and Bottom)
- The main production processes are Cutting, Sewing, Finishing and Packing.
- Overall responsibility for meeting the standards is taken by Mr. Md. Rasel Ahmed, Asst. General Manager (HR & Compliance)
- Site has completed SAQ.
- The youngest worker on site was 20 years old.
- A total of 11785 employees are currently working in the facility where 7591 are female employees and 4194 are male employees. There are 502 non-production employees in the facility.
- All the employees are local (Bangladeshi).
- There is a participation committee on site. participation committee member was present during the audit. Moreover, management informed that they communicate the outcome of the audit to the workers through notice board and would discuss at next participation committee meeting.
- There is no union and collective bargaining at this factory. It is also not mandatory by Local Law.
- There is evidence of both male and female in management and among supervisor.
- Site has peak season in August & September.
- Site uses no sub-contractors.
- All employees were fixed rated employee.
- Generally, the employees work for 06 days (Saturday to Thursday) in a week.
- Friday is the facility weekly holiday.
- All the department of the facility operates in two general shifts (8:00 to 5:00) am/pm & pm/am with rest break (1:00 to 2:00). pm/pm & am/am.
- Employee's wages are calculated on a monthly basis. The payment method of the salary is by mobile bank within 7 working days of following month and the payment cycle is 1-30/31.
- 67 employees were selected for interview including 26 male and 41 female employees, they were interviewed as 09 groups of 05 and the balances of 22 workers were interviewed individually.
- 67 Records to show wages and hours were taken from 1 July 2019 to 30 June 2020.
- Legal minimum pay (BDT 8000) was paid to all employees.

- Correct OT hours were paid; Employees were paid 200% of minimum hourly wage for OT hours.
- Based on documents review and management interview it was noted that the facility has declared general holiday due to COVID-19 situation from 28 March to 30 March 2020. After that, facility opened for emergency shipment from 01 April 2020 to 04 April 2020 with 3714 employees and again declared general leave from 05 April to 20 April 2020. However, facility starts its full operation from 21 April 2020 with all employee number of employees. For general holiday employee get 65% salary and for worked days employee get full salary (100%) payment according to Govt. declaration.

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

Site Details

Site Details		
A: Company Name:	A.K.M Knit Wear Limited	
B: Site name:	A.K.M Knit Wear Limited	
C: GPS location: (If available)	GPS Address: 14, Gedda, Karnopara, Ulail, Savar, Dhaka	Latitude: 23°49'40.4"N Longitude: 90°15'33.7
D: Applicable business and other legally required licence numbers and documents, for example, business license number, liability insurance, any other required government inspections	<p>Trade License: License no: 000048, issue authority: Office of the Savar Municipality, Issue date: 16 July 2020, Expired date: 30 June 2021.</p> <p>Fire License: License no: DD/Dhaka/21106/2008, Classification of the industry: G-2, Issue date: 29 June 2020 and Expired date: 30 June 2021</p> <p>Factory License: License no: 12621/Dhaka, Reg: No: 12621/Dhaka, Date :18/09/2005, Validity: June 2020 which has expired</p> <p>Medical Agreement: Enam Medical College Hospital</p> <p>Waste Agreement: Bismillah Traders & Mamun Traders</p>	
E: Products/Activities at site, for example, garment manufacture, electricals, toys, grower, cutting, sewing, packing etc	Readymade Garment (Woven Products, Top and Bottom)	
F: Site description: (Include size, location, and age of site. Also, include structure and number of buildings)	<p>A.K.M Knit Wear Limited is located 14, Gedda, Karnopara, Ulail, Savar, Dhaka. The facility has started its operation in December 2000.</p> <p>Total land area of the facility premises 853000 square feet, production and warehouse area 700000 square feet and 85000 square feet respectively.</p> <p>There are five (5) facilities in the same premises under same owner and managements named Pasific Blue (Jeans Wear) Ltd., Al- Muslim Washing Ltd., Al-Muslim Yarn Dyeing Ltd., Al- Muslim Accessories Ltd. And A.K.M Knit Wear Limited (requested facility).</p> <p>A total of 11785 employees are currently working in the facility where 7591 are female employees and 4194 are male</p>	

employees. There are 502 non-production employees in the facility.

The facility premises (audited facility) consist of total 03 buildings. Details description provided as below:

Production Building /shed	Description	Remark if any
Building-1: (11 storied)		
Ground Floor	Washing (Separate business license)	Al Muslim Washing Ltd.
Mezzanine Area	Office Room & Conference room	A.K.M Knitwear Ltd.
1st floor	Finishing, C-TPAT, Inspection rooms, Finished Carton	None
Mezzanine Floor	Cutting, Sewing, Sample, Head office	None
2nd Floor	-Cutting, Sewing, Sample, Head office	A.K.M Knitwear Ltd.
3rd Floor	Cutting, Sewing, Finishing, Packing, First Aid Room, Training room and Offices	A.K.M Knitwear Ltd.
4th Floor	Cutting, Sewing, Finishing, Packing, First Aid Room, and Offices	A.K.M Knitwear Ltd.
5th Floor	Cutting, Sewing, Finishing, Packing, First Aid Room, Training room and Offices	A.K.M Knitwear Ltd.
6th Floor	Cutting, Sewing, Finishing, Packing, First Aid Room, Training room and Offices	A.K.M Knitwear Ltd.
7th Floor	Cutting, Sewing, Finishing, Packing, First Aid Room, Training room and Offices	A.K.M Knitwear Ltd.
8th Floor	- Cutting, Sewing, Finishing, Packing, First Aid Room, Training room and Offices, (Separate license Pacific Blue Jeans Ltd)	Pacific Blue Jeans Ltd.

	9 th Floor	Cutting, Sewing, Finishing, Packing, First Aid Room, Training room and Offices	A.K.M Knitwear Ltd.
	10 th Floor	Cutting, Sewing, Finishing, Packing, CAD, First Aid Room, Training room and Offices	A.K.M Knitwear Ltd.
	11 th Floor	Workers & Saffs Dining Hall, Central store, Idle machine area Finishing, Packing	A.K.M Knitwear Ltd.
	Roof Top	Vacant	A.K.M Knitwear Ltd.
	<u>Building-2</u>	2 storied	A.K.M Knitwear Ltd.
	Basement floor	Pump Room	Common
	Ground floor	Boiler, Generator	Common
	1 st floor	EGB Boiler	Common
	2 nd floor	Dining hall	Common
	<u>Building-3 (2 Storied)</u>		
	Basement	Pump Room	Common
	Ground Floor	Health Care Centre	Common
	1 st Floor	Office room	Common
	2 nd Floor	CCTV, Fire control room and Store	Common
	<p>For below, please add any extra rows if appropriate.</p> <p>F1: Visible structural integrity issues (large cracks) observed? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No</p> <p>F2: Please give details: No crack observed during audit day.</p> <p>F3: Does the site have a structural engineer evaluation? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No</p> <p>F4: Please give details: The site has a structural engineer evaluation and approved by Savar Municipality</p>		
G: Site function:	<input type="checkbox"/> Agent <input checked="" type="checkbox"/> Factory Processing/Manufacturer <input checked="" type="checkbox"/> Finished Product Supplier <input type="checkbox"/> Grower		

	<input type="checkbox"/> Homeworker <input type="checkbox"/> Labour Provider <input type="checkbox"/> Pack House <input type="checkbox"/> Primary Producer <input type="checkbox"/> Service Provider <input type="checkbox"/> Subcontractor
H: Month(s) of peak season: (if applicable)	Peak season (August & September)
I: Process overview: (Include products being produced, main operations, number of production lines, main equipment used)	<p>Product manufactured: Readymade Garment (Woven Products, Top and Bottom)</p> <p>Main production process: Cutting, Sewing, Finishing and Packing.</p> <p>No. of production line: 105</p> <p>Monthly production capacity: 260000 pieces per month</p> <p>Yearly production turnover: 150 Million USD</p> <p>Machines used: Single Needle, Iron, Needle Detector, Overlock, Flat lock, Loop Cutter, Flat Lock, Kansai, Buttonhole, Hemming Machine, Fusing Machine, Collar Turning, Hand Tag Gun, Heat Cutter Machine, Light Box, Heat Seal Machine etc.</p> <p>Chemical used: Diesel, Sodium Chloride, Engine Oil, NALCO, Acetone, Spot lifter</p>
J: What form of worker representation / union is there on site?	<input type="checkbox"/> Union (name) <input checked="" type="checkbox"/> Worker Committee <input type="checkbox"/> Other (specify) <input type="checkbox"/> None
K: Is there any night production work at the site?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
L: Are there any on site provided worker accommodation buildings e.g. dormitories	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No L1: If yes, approx. % of workers in on site accommodation
M: Are there any off site provided worker accommodation buildings	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No M1: If yes, approx. % of workers
N: Were all site-provided accommodation buildings included in this audit	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No N1: If no, please give details: Not Applicable as the site does not provide accommodation for workers.

Audit Parameters			
A: Time in and time out	Day 1 Time in: 11:15 hours Day 1 Time out: 18:30 hours	Day 1 Time in: 9:05 hours Day 1 Time out: 17:30 hours	Day 3 Time in: NA Day 3 Time out: NA
B: Number of auditor days used:	Audit performed in two days. Day 1: Four Auditors in one day (4 Man Days) Day 2: One Auditors in one day (1 Man Days)		
C: Audit type:	<input type="checkbox"/> Full Initial <input checked="" type="checkbox"/> Periodic <input type="checkbox"/> Full Follow-up <input type="checkbox"/> Partial Follow-Up <input type="checkbox"/> Partial Other If other, please define:		
D: Was the audit announced?	<input type="checkbox"/> Announced <input checked="" type="checkbox"/> Semi – announced: Window detail: 04 weeks <input type="checkbox"/> Unannounced		
E: Was the Sedex SAQ available for review?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No If No, why not		
F: Any conflicting information SAQ/Pre-Audit Info to Audit findings?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No If Yes , please capture detail in appropriate audit by clause		
G: Who signed and agreed CAPR (Name and job title)	Mr. Md. Rasel Ahmed, Asst. General Manager (HR & Compliance)		
H: Is further information available (if yes, please contact audit company for details)	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No		
I: Previous audit date:	21 & 22 July 2019		
J: Previous audit type:	Annual		
K: Were any previous audits reviewed for this audit	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No <input type="checkbox"/> N/A		

Audit attendance	Management	Worker Representatives	
	Senior management	Worker Committee representatives	Union representatives
A: Present at the opening meeting?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
B: Present at the audit?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
C: Present at the closing meeting?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
D: If Worker Representatives were not present please explain reasons why (only complete if no worker reps present)	Not applicable		
E: If Union Representatives were not present please explain reasons why: (only complete if no union reps present)	There was no Trade Union in the facility, and this is not mandatory by local law.		

Worker Analysis

The term "migrant worker" refers to a person who is engaged or has been engaged in a remunerated activity in a country of which they are not a national or permanent resident or has purposely migrated on a temporary basis to another in-country region to seek and engage in a remunerated activity.

Worker Analysis								
	Local			Migrant*				Total
	Permanent	Temporary	Agency	Permanent	Temporary	Agency	Home workers	
Worker numbers – Male	7591	0	0	0	0	0	0	7591
Worker numbers – female	4194	0	0	0	0	0	0	4194
Total	11785	0	0	0	0	0	0	11785
Number of Workers interviewed – male	26	0	0	0	0	0	0	26
Number of Workers interviewed – female	41	0	0	0	0	0	0	41
Total – interviewed sample size	67	0	0	0	0	0	0	67



A: Nationality of Management	Bangladeshi	
B: Please list the nationalities of all workers, with the three most common nationalities listed first. <i>Please add more nationalities as applicable to site. Add more rows if required.</i>	Nationalities: B1: Nationality 1: _____ Bangladeshi ____ B2: Nationality 2: _____ B3: Nationality 3: _____	Was the list completed during peak season? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No If no, please describe how this may vary during peak periods: The facility did not have any peak season.
C: Please provide more information for the three most common nationalities.	C: approx % total workforce: Nationality 1 ____100%____ C1: approx % total workforce: Nationality 2 ____ C2: approx % total workforce: Nationality 3 ____	
D: Worker remuneration (management information)	D: _____% workers on piece rate D1: _____% hourly paid workers D2: ____100____% salaried workers Payment cycle: D3: _____% daily paid D4: _____% weekly paid D5: ____100____% monthly paid D6: _____% other D7: If other, please give details	



Worker Interview Summary

Worker Interview Summary		
A: Were workers aware of the audit?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	
B: Were workers aware of the code?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	
C: Number of group interviews: (Please specify number and size of groups. Please see SMETA Best Practice Guidance and Measurement Criteria. If the auditor was not able to follow the BPG, please state within the declaration)	9 Groups of 5	
D: Number of individual interviews (Please see SMETA Best Practice Guidance and Measurement Criteria)	D1: Male: 09	D2: Female: 13
E: All groups of workers are included in the scope of this audit such as; Direct employees, Casual and agency workers, Workers employed by service providers such as security and catering staff as well as workers supplied by other contractors. Note to auditor: please record details of migrant /agency/contractor workers in section 8 – Regular Employment, under Responsible Recruitment	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No If no, please give details	
F: Interviews were done in private and the confidentiality of the interview process was communicated to the workers?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	
G: In general, what was the attitude of the workers towards their workplace?	<input checked="" type="checkbox"/> Favourable <input type="checkbox"/> Non-favourable <input type="checkbox"/> Indifferent	
H: What was the most common worker complaint?	None	
I: What did the workers like the most about working at this site?	Wages are paid on time, working condition is hygienic, Management are very supportive and well behaved.	
J: Any additional comment(s) regarding interviews:	Most employees enjoyed working at this facility, they felt they had sufficient wage and had a good relationship with management in general.	
K: Attitude of workers to hours worked:	Very favourable as total working hour is within their limit and overtime is fully voluntary.	
L. Is there any worker survey information available?		
<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No L1: If yes, please give details:		

M: Attitude of workers:

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

The employees were generally positive about their workplace; they got on well with workers and managers. They found management team positive and approachable.

The employees were assured of confidentiality and they spoke freely of their views of the factory. All employees said they were satisfied with their employment at the factory and they are provided wages as per their agreement. They felt free to leave this employer and understood the notice period required. They facility management treated them with respect.

They are able to complain directly to their welfare officer, compliance responsible person or line manager and also felt free to give their general concerns to their management representative.

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

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

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

The participation committee member's interview was conducted privately in a separate place. The participation committee members replied naturally regarding their responsibilities as participation committee member and they also informed that they can easily carryout their daily job without any difficulties.

O: Attitude of managers:

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

The facility management showed a positive attitude to this audit and during the whole audit process, Mr. Md. Rasel Ahmed, Asst. General Manager (HR & Compliance) along with his team was present though the audit process and co-operated the whole audit. Facility management respect client's requirement and allowed auditor to take photographs of all production process, best practices and also non-conformities. They also provide required documents photocopy and allowed auditors to interact with the employees confidentially. At the closing meeting, the facility management agreed with all the findings and suggested corrective actions.

The factory management had a system in place to check their current practices against their clients' requirements and the local law, and they took notice of the findings of the internal audit team and also have a Health & Safety committee to take care of health and safety concerns.

Audit Results by Clause

0A: Universal Rights covering UNGP

0A: Universal Rights covering UNGP

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

0.A. Guidance for Observations

0.A.1 Businesses should have a policy, endorsed at the highest level, covering human rights impacts and issues, and ensure it is communicated to all appropriate parties, including its own suppliers.

0.A.2 Businesses should have a designated person responsible for implementing standards concerning Human rights

0.A.3 Businesses shall identify their stakeholders and salient issues.

0.A.4 Businesses shall measure their direct, indirect, and potential impacts on stakeholders (rights holders) human rights.

0.A.5 Where businesses have an adverse impact on human rights within any of their stakeholders, they shall address these issues and enable effective remediation.

0.A.6 Businesses shall have a transparent system in place for confidentially reporting and dealing with human rights impacts without fear of reprisals towards the reporter.

Note for auditors and readers. This is not a full Human Rights Assessment, but instead a check on the business's implementation of processes to meet their Universal rights covering UNGP responsibilities.

Current Systems and Evidence Examined

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

Current systems:

- The facility had a policy, endorsed at the highest level, covering human rights impacts and issues, and it is communicated to all appropriate parties, including its own suppliers.
- The responsible person for implementation and monitoring Mr. Md. Rasel Ahmed, Asst. General Manager (HR & Compliance)
- The facility measured their direct, indirect, and potential impacts on stakeholders (rights holders) human rights.
- Where businesses have an adverse impact on human rights within any of their stakeholders, they address these issues and enable effective remediation.
- The facility had a transparent system in place for confidentially reporting and dealing with human rights impacts without fear of reprisals towards the report.
- The facility has policy and procedures for human rights.
- The facility communicates this code of conduct to the employees through notice board and orientation training.
- It is communicated to all appropriate parties, including suppliers through the responsible person.

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

Details:

- Written policies and procedure that being provided individually to employees.
- Facility code of conduct
- All policies of facility.

- Employees' training records showed the facility conducted training for employees about the social compliance when they enter the facility. Last orientation training was held on 14 June 2019 with 20 participants.

Any other comments: None

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

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

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

Measuring Workplace Impact

Measuring Workplace Impact Table

Workplace Impact		
A: Annual worker turnover: Number of workers leaving in last 12 months as a % of average total number of workers on site over the year (annual worker turnover)	A1: Last year: July 2018 to June 2019 4.23 %	A2: This year: July 2019 to June 2020 4.54 %
B: Current % quarterly (90 days) turnover: Number of workers leaving from the first day of the 90 days period through to the last day of the 90 day period / [(number of employees on the 1 st day of 90 day period + number of employees on the last day of the 90 day period) / 2]	April 2020 to June 2020 5.48%	
C: Annual % absenteeism: Number of days lost through job absence in the year / [(number of employees on 1 st day of the year + number employees on the last day of the year) / 2] * number available workdays in the year	C1: Last year: July 2018 to June 2019 1.09 %	C2: This year: July 2019 to June 2020 0.9 %
D: Quarterly (90 days) % absenteeism: Number of days lost through job absence in the period / [(Number of employees on 1 st of the period + Number of employees on the last day of the period) / 2] * Number of available workdays in the month	April 2020 to June 2020 0.90 %	
E: Are accidents recorded?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No E1: Please describe: All the injuries are recorded in an injury register.	
F: Annual Number of work related accidents and injuries per 100 workers: [(Number of work related accidents and injuries * 100) / Number of total workers]	F1: Last year: July 2018 to June 2019 1.40 %	F2: This year: July 2019 to June 2020 1.46%
G: Quarterly (90 days) number of work related accidents and injuries per 100 workers: [(Number of work related accidents and injuries * 100) / Number of total workers]	April 2020 to June 2020 0.25%	
H: Lost day work cases per 100 workers: [(Number of lost days due to work accidents and work related injuries * 100) / Number of total workers]	H1: Last year: July 2018 to June 2019 0.025 %	H2: This year: July 2019 to June 2020 0.028%
I: % of workers that work on average more than 48 standard hours / week in the last 6 / 12 months:	I1: 6 months _____0% workers	I2: 12 months _____0% workers

J: % of workers that work on average more than 60 total hours / week in the last 6 / 12 months:	J1: 6 months _____0% workers	J2: 12 months _____0% workers
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0: Management systems and Code Implementation

0B: Management system and Code Implementation

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

0.B.1 Suppliers are expected to implement and maintain systems for delivering compliance to this Code.
0.B.2 Suppliers are expected to be operating legally in premises with the correct business licenses and permissions and to have systems to ensure that all relevant land rights have been complied with
0.B.3 Suppliers shall appoint a senior member of management who shall be responsible for compliance with the Code.
0.B.4 Suppliers are expected to communicate this Code to all employees.
0.B.5 Suppliers should communicate this code to their own suppliers and, where reasonably practicable, extend the principles of this Ethical Code through their supply chain.

Current Systems and Evidence Examined

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

Current systems:

- Responsibility for meeting the legal and client code requirements is taken by Mr. Md. Rasel Ahmed, Asst. General Manager (HR & Compliance)
- The facility communicates this code of conduct (COC) to the employees through notice board and orientation training.
- The facility management conduct internal social compliance audit regularly and take necessary corrective action based on report.
- The facility arranged mid-level management training for all mid-level management employees such as supervisors, quality in charge, production officers, etc.
- The facility conducts orientation training for all new employees.
- Supplier communicates ETI code of conduct to their suppliers and where reasonably practicable extends the principles of this ethical code through their supply chain.
- Implementation of any necessary changes is then given to the individual department heads after agreement with the facility manager.
- Facility conducts periodic assessments of its social compliance system to identify improvement opportunities.

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

Details:

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

Any other comments: None

Management Systems:	
A: In the last 12 months, has the site been subject to any fines/prosecutions for non-compliance to any regulations?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No A1: Please give details: In the last 12 months the site has not been subjected to any fines or prosecutions for non-compliance to any regulations.
B: Do policies and/or procedures exist that reduce the risk of forced labour, child labour, discrimination, harassment & abuse?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No B1: Please give details: It was noted through documentation review, facility has policies and procedures for forced labour, child labour, discrimination, harassment & abuse.
C: If Yes, is there evidence (an indication) of effective implementation? Please give details.	It was noted through the management and workers interview that overtime is voluntary for all employees. No child labour was found in the facility during the facility tour and age verification certificate found in all the reviewed personal files.
D: Have managers and workers received training in the standards for forced labour, child labour, discrimination, harassment & abuse?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No D1: Please give details: All the employees in the facility have received orientation training where standards for forced labour, child labour, discrimination, harassment & abuse are covered.
E: If Yes, is there evidence (an indication) that training has been effective e.g. training records etc.? Please give details	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No E1: Please give details: Training records were found including picture and attendance sheet.
F: Does the site have any internationally recognised system certifications e.g. ISO 9000, 14000, OHSAS 18000, SA8000 (or other social audits). Please detail (Number and date).	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No F1: Please give details: Facility has WRAP, BSCI certifications which will valid till 09 September 2020 and 24 June 2021.
G: Is there a Human Resources manager/department? If Yes, please detail.	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No G1: Please give details: Facility has a dedicated Human Resources department consisting of 52 members and is headed by Mr. Md. Rasel Ahmed, Asst. General Manager (HR & Compliance)
H: Is there a senior person / manager responsible for implementation of the code	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No

	H1: Please give details: Responsibility for meeting the legal and client code requirements is taken by Mr. Md. Rasel Ahmed, Asst. General Manager (HR & Compliance)
I: Is there a policy to ensure all worker information is confidential?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No I1: Please give details: The facility has an IT security policy which ensures worker information is confidential.
J: Is there an effective procedure to ensure confidential information is kept confidential?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No J1: Please give details: The facility has an effective key control procedure to keep the information confidential.
K: Are risk assessments conducted to evaluate policy and procedure effectiveness?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No K1: Please give details: Facility conducts risk assessment which evaluates effectiveness of every policy and procedure department wise.
L: Does the facility have a process to address issues found when conducting risk assessments, including implementation of controls to reduce identified risks?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No L1: Please give details: The facility has an internal system to raise the issue found in risk assessment and to implement the way of reduction it.
M: Does the facility have a policy/code which require labour standards of its own suppliers?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No M1: Please give details: Facility has a supplier selection policy which ensures labour standard of its own supplier.
Land rights	
N: Does the site have all required land rights licenses and permissions (see SMETA Measurement Criteria)?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No N1: Please give details: The facility has all required land rights licenses and permissions
O: Does the site have systems in place to conduct legal due diligence to recognize and apply national laws and practices relating to land title?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No O1: Please give details: The facility has anti-corruption committee, anti-bribery policy to support due diligence in applying national laws and practices relating to land title.
P: Does the site have a written policy and procedures specific to land rights. If yes, does it include any due diligence the company will undertake to obtain free, prior and informed consent, (FPIC) even if national/local law does not require it	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No P1: If yes, how does the company obtain FPIC: Facility has developed a policy and procedure according to the landowner.

Q: Is there evidence that facility / site compensated the owner/lessor for the land prior to the facility being built or expanded.	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No Q1: Please give details: The facility acquired and used the land according the legal procedure and project's requirement.
R: Does the facility demonstrate that alternatives to a specific land acquisition were considered to avoid or minimize adverse impacts?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No R1: Please give details: The facility rented the land maintaining all legal procedure and specific land acquisition were considered to avoid or minimize adverse impacts.
S: Is There any evidence of illegal appropriation of land for facility building or expansion of footprint.	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No S1: Please give details: No illegal appropriation of land for facility building or expansion of footprint

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

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

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

1: Employment is Freely Chosen

1: Freely Chosen Employment

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

ETI

1.1 There is no forced, bonded or involuntary prison labour.

1.2 Workers are not required to lodge "deposits" or their identity papers with their employer and are free to leave their employer after reasonable notice.

Current Systems and Evidence Examined

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

Current systems:

- The facility has a policy which prohibits forced labour, and this was also available for review.
- Age verification documents (National ID card copy, educational certificate, nationality certificates) were available in employee personal files.
- Service book and handbook is provided to every employee.
- Overtime is voluntary.
- The terms and conditions of employment state that the employees are free to leave the workplace outside of their working hours.
- Facility also has a written policy regarding this.
- The facility did not require any payment for work tools, PPE, IC/staff card, training, etc.
- The facility does not use any prison labour.
- The above was confirmed in management and employee interview.

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

Details:

- Facility rules.
- Policy on No-Forced labour and prison labour.
- Sample employee personal files.
- Service book.
- Time record.

Any other comments: None

A: Is there any evidence of retention of original documents, e.g. passports/ID's

- ☐ Yes
☒ No

A1: If yes, please give details and category of workers affected:

B: Is there any evidence of a loan scheme in operation

- ☐ Yes
☒ No

B1: If yes, please give details and category of worker affected:

C: Is there any evidence of retention of wages /deposits	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No C1: If yes, please give details and category of worker affected:
D: Are there any restrictions on workers' freedom to terminate employment?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No D1: Please describe finding: The facility does not practise this kind of culture to violate the rights of employees.
E: If any part of the business is UK based or registered there & has a turnover over £36m, is there a published a 'modern day slavery statement'?	<input type="checkbox"/> Yes <input type="checkbox"/> No <input checked="" type="checkbox"/> Not applicable E1: Please describe finding: 150 Million USD
F: Is there evidence of any restrictions on workers' freedoms to leave the site at the end of the work day?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No F1: Please describe finding: The employees can leave their workplace after their respective duties.
G: Does the site understand the risks of forced / trafficked / bonded labour in its supply chain	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> Not applicable G1: If yes, please give details and category of workers affected: The facility has its policy and procedures on forced labour, bonded labour, trafficked labour and the facility provides a sharp idea about all those things on internal audit, orientation training and notice board.
H: Is the site taking any steps taking to reduce the risk of forced / trafficked labour?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No H1: Please describe finding: The facility has policy on forced /trafficked labour. The facility maintains it through notice board on production floor. Overtime is totally voluntary. Employees can leave their workplace freely after their respective jobs

Non-compliance:

1. Description of non-compliance:

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

None observed

Local law and/or ETI requirement Not Applicable

Recommended corrective action: None

Objective evidence observed:

(where relevant please add photo numbers)

None observed

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

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

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

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

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

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

ETI

- 2.1 Workers, without distinction, have the right to join or form trade unions of their own choosing and to bargain collectively.
- 2.2 The employer adopts an open attitude towards the activities of trade unions and their organisational activities.
- 2.3 Workers' representatives are not discriminated against and have access to carry out their representative functions in the workplace.
- 2.4 Where the right to freedom of association and collective bargaining is restricted under law, the employer facilitates, and does not hinder, the development of parallel means for independent and free association and bargaining.

Current Systems and Evidence Examined

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

Current systems:

- All the employees can form or join the trade union of their choice.
- There is no trade union in the facility but there is a Participation committee formed by election in 25 November 2019.
- Participation committee meeting is held in every two months.
- Worker Representative Welfare committee meeting was held on 15 July 2020. Meeting minutes was
 1. Discussion on Eid holiday
 2. Discuss about salary disbursement and Eid bonus issues
 3. Ms. Suraiya Akter, QI, ID # AGM 0015607 left the job and got vacant the post. Ms. Priya Begum (near candidate of election of Ms. Suraiya Akter), Operator, ID# AGM 0023278 has selected the worker representative of the post.
- They also stated that they could give suggestions on all parts of the site's practices.
- Meeting minutes are posted in notice board and informed through Public address system.
- There are 22 members from employee side and 8 from management side. Total Worker Participation committee member is 30.
- Participation committee members are not treated less favourably than other workers.
- Participation committee members are allowed to carry out their duties within working hours without affecting their pay.

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

Details:

- Freedom of association policy review.
- Participation committee formation records
- Participation committee Member list
- Participation committee meeting register
- Participation committee meeting minutes

- Participation committee meeting attendance register.

Any other comments: None

A: What form of worker representation/union is there on site?	<input type="checkbox"/> Union (name) <input checked="" type="checkbox"/> Worker Committee <input type="checkbox"/> Other (specify) <input type="checkbox"/> None	
B: Is it a legal requirement to have a union?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	
C: Is it a legal requirement to have a worker's committee?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	
D: Is there any other form of effective worker/management communication channel? (Other than union/worker committee e.g. H&S, sexual harassment)	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No D1: Please give details: Facility has an effective grievance handling procedure. Workers can submit their grievance verbally or in written through welfare officer or complain box. Moreover, facility has a Safety Committee. The safety committee consists of 10 members where 05 are from employee side. D2: Is there evidence of free elections? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	
E: Does the supplier provide adequate facilities to allow the Union or committee to conduct related business?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No E1: Please give details: Facility has a policy regarding Freedom of Association. Participation committee members are allowed to carry out their duties within working hours without affecting their pay.	
F: Name of union and union representative, if applicable:	Not Applicable	F1: Is there evidence of free elections? <input type="checkbox"/> Yes <input type="checkbox"/> No <input checked="" type="checkbox"/> N/A
G: If there is no union, is there a parallel means of consultation with workers e.g. worker committees?	There are 22 members from employee side and 8 from management side. Total Worker Participation committee member is 30.	G1: Is there evidence of free elections? <input type="checkbox"/> Yes <input type="checkbox"/> No <input checked="" type="checkbox"/> N/A
H: Are all workers aware of who their representatives are?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	

I: Were worker representatives freely elected?	<input type="checkbox"/> Yes <input type="checkbox"/> No Not applicable	I1: Date of last election: 25 November 2019
J: Do workers know what topics can be raised with their representatives?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	
K: Were worker representatives/union representatives interviewed?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No If Yes , please state how many: 2 members	
L: Please describe any evidence that union/worker's committee is effective? <i>Specify date of last meeting; topics covered; how minutes were communicated etc.</i>	Facility has formed a Participation committee formed by election in 25 November 2019. Participation committee meeting is held in every two months. Participation committee meeting was held on 15 July 2020. Meeting minutes was 1. Discussion on Eid holiday 2. Discuss about salary disbursement and Eid bonus issues 3. Ms. Suraiya Akter, QI, ID # AGM 0015607 left the job and got vacant the post. Ms. Priya Begum (near candidate of election of Ms. Suraiya Akter), Operator, ID# AGM 0023278 has selected the worker representative of the post.	
M: Are any workers covered by Collective Bargaining Agreement (CBA)?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	
If Yes , what percentage by trade Union/worker representation	M1: ____% workers covered by Union CBA	M2: ____% workers covered by worker rep CBA
M3: If Yes , does the Collective Bargaining Agreement (CBA) include rates of pay?	<input type="checkbox"/> Yes <input type="checkbox"/> No Not applicable	

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

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

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

3: Working Conditions are Safe and Hygienic

3: Working Conditions are Safe and Hygienic

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

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

ETI

3.1 A safe and hygienic working environment shall be provided, bearing in mind the prevailing knowledge of the industry and of any specific hazards. Adequate steps shall be taken to prevent accidents and injury to health arising out of, associated with, or occurring in the course of work, by minimising, so far as is reasonably practicable, the causes of hazards inherent in the working environment.

3.2 Workers shall receive regular and recorded Health & Safety training, and such training shall be repeated for new or reassigned workers.

3.3 Access to clean toilet facilities and to potable water, and, if appropriate, sanitary facilities for food storage shall be provided.

3.4 Accommodation, where provided, shall be clean, safe, and meet the basic needs of the workers.

3.5 The company observing the code shall assign responsibility for Health & Safety to a senior management representative.

Current Systems and Evidence Examined

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

Current systems:

1. General Health and Safety management

- Mr. Md. Rasel Ahmed, Asst. General Manager (HR & Compliance) looks after Health & Safety issues for the site.
- Facility has formed a safety committee with 12 members (Management 06 & Worker 06) in 23 January 2020 in presence of participation committee. The head of committee is Md. Rasel Ahmed, Asst. General Manager (HR & Compliance). safety committee conduct in every 3 months. Last meeting date was conducted in 12 July 2020. Meeting topic was
 - Discussion on awareness and Prevention of covid-19
 - Discussion about proper use of PPE
 - Discussion about accident and incident, root cause identification and record keeping.
- Potable water was freely available in all areas.
- Sufficient clean toilets segregated by gender were available at all times for workers.
- Ventilation, temperature and lighting were adequate for the production processes.

Test Reports and others:

Test name	Name	Date
Drinking water tested from	Department of Public Health Engineering, Bangladesh	11 December 2019
Noise Level tested from	National Testing Calibration & Inspection Limited	10 December 2019
Air Emission tested from	National Testing Calibration & Inspection Limited	10 December 2019
Light level tested from	National Testing Calibration & Inspection Limited	10 December 2019

Category	Number
No. of electrician	12
No. of Boiler	07

No of generator	10
No. of fire fighter	850 by FSCD
No. of First Aid box	80
No. of First aider	160
Drinking Water Station	150
No. of Doctor	04
No. of Nurse	06
Assistant	13
Last Date of accident	14.07.2020
Type of accident	Finger cut in left hand by plane machine.
Last date of Risk Assessment	05 March 2020
Last Internal Audit	11 June 2020
Welfare Officer	03
Fire Safety Officer	01
NO. of Toilets (Male)	282
NO. of Toilets (Female)	451

2. Fire Safety

- Sufficient assembly area was found in front of the facility building.
- Firefighting equipment was adequate, and checks were up to date.
- The facility management posted the evacuation plans on every production floors/shed with local language.
- Public Address System and fire alarm were available in all areas.
- Aisles exit way and employees were found free from any blockage.
- Facility has trained fire fighters, 69 trained first aider.

Fire Drill information:

Last fire drill	Date	Time took	Employee was present	Fire drill monitored by
Night (internal)	27 February 2020	2.51 Min	10868	Sr. Manger HRC
FSCD	04 March 2010	2 .08 Min	15179	Sub Assist. Director

Facility firefighting equipment details:

Fire Equipment name	Total	Fire Equipment name	Total
Fire extinguisher	Foam 00	Gumboot (pair)	68
	CO2 230	Emergency light	
	DCP 876	Emergency Fog Light	589
Fire hook	68	Lock cutter	34
Fire alarm sounder	105	Helmet	53
Public Address (PA) system	80	Hand gloves (set)	41
Smoke detector	1453	Fire blanket	78
Gas mask	75	Fire bitter	62
Exit light	715	Fire Door	110
Fire alarm call point	90	Fire roof	32
First aid box	87	Hose reel	N/A

Gong bell	00	Torch light	
Sprinkler Head	8341	Belcha	
Stretcher	120	Heat Detector	06

Facility provide bellow training to employees:

Training Type	Last Date of training	Participant	Trainer Designation	Frequency of training
Orientation Training to factory rules	16.07.2020	03	Deputy Manager HR & Compliance	As required
Fire Fighting Training (Internal)	11 July 2020	20	In Charge Fire safety	Quarterly
Fire Fighting Training (External)	04 & 05 March 2020	40	Physical Instructor	As required
First Aid Training	05.07.2020	ALL	Doctor	As required (now on training is conducting by PS system for avoiding gathering of human)
PPE Training	07 January 2020	ALL	Executive HRC	Monthly (now on training is conducting by PS system for avoiding gathering of human)
Mid-level management Training	05 March 2020	60	Sr. executive HRC	Four Month interval
Health & Safety Training	04 July 2020	ALL	AGM HRC	Monthly (now on training is conducting by PS system for avoiding gathering of human)
Chemical Handling Training	16 July 2020	10	Executive EMS	Monthly
COVID-19 Awareness Training	19 July 2020	ALL	AGM HRC	As required (now on training is conducting by PS system for avoiding gathering of human)

3. Electrical & Machine safety

- All electrical equipment was maintained in good condition such as sockets, plugs, switches and main fuse boards.
- Facility has licensed electricians who check and do inspection, roster wise for whole facility.
- Facility checks all electric channels, distribution board and electric connection daily and monthly schedule wise.
- Facility maintains a scheduled maintenance plan for doing maintenance of all machines.

(Name) Inspection record	Last inspection date	Done by (designation)	Frequency of inspection
DB/SDB/MDB	21 July 2020	Sub Asst. engineer	Daily
Machine maintenance/Lift maintenance	15 June 2020	Creative Engineering (third party)	Monthly
Boiler maintenance	27 June 2020	GM (E & M)	daily

Generator Maintenance	01 July 2010	Bangla CAT (third party)	1000 hr. interval
Compressor	04 March 2020	IOFAD Enterprises (Third party)	As required

4. Chemical safety

- Facility uses no hazardous chemical for their production process.
- Material Safety Data Sheets and labelling were found available for diesel and machine oil.

5. Medical services

- There were first aid boxes in the facility and first aiders in each floor.
- Facility has appointed doctor & nurse who are available in working time of the facility. They also arranged monthly first aid training with first aider.
- Facility has a medical room.

6. Building safety

- Facility building was constructed for industrial purpose and permitted by Savar Municipality

7. Dormitory

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

Summary of the current Covid-19 measures:

Due to COVID-19 situation, number of measures has been taken by the facility to prevent spread of the virus like:

- Spraying and using disinfectant tunnel on everyone including vehicles entering the premises,
- sufficient handwash and sanitizing facility for everyone,
- checking body temperature,
- regular cleaning and disinfecting the whole premises,
- developing awareness and training on how to avoid the virus
- Covid 19 awareness on every hour through Public Addressable system etc.

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

Details:

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

Any other comments: None

<p>A: Does the facility have general and occupational Health & Safety policies and procedures that are fit for purpose and are these communicated to workers?</p>	<p><input checked="" type="checkbox"/> Yes <input type="checkbox"/> No A1: Please give details: The facility has general Health & Safety and Occupational Health & Safety Policy and Procedures which are fit for purposes and these policies are communicated through orientation training.</p>
<p>B: Are the policies included in workers' manuals?</p>	<p><input checked="" type="checkbox"/> Yes <input type="checkbox"/> No B1: Please give details: The facility provides workers manual to the workers where all the policies and applicable govt. law are included.</p>
<p>C: Are there any structural additions without required permits/inspections (e.g. floors added)?</p>	<p><input type="checkbox"/> Yes <input checked="" type="checkbox"/> No C1: Please give details: No additional structures were found with building construction approval.</p>
<p>D: Are visitors to the site informed on H&S and provided with personal protective equipment</p>	<p><input checked="" type="checkbox"/> Yes <input type="checkbox"/> No D1: Please give details: All the visitors to the site are informed on Health and Safety and provided with personal protective equipment where necessary.</p>
<p>E: Is a medical room or medical facility provided for workers?</p> <p>If yes, do the room(s) meet legal requirements and is the size/number of rooms suitable for the number of workers.</p>	<p><input checked="" type="checkbox"/> Yes <input type="checkbox"/> No E1: Please give details: The facility has a Health centre for the employees. Equipment's are provided as per legal requirements</p>
<p>F: Is there a doctor or nurse on site or there is easy access to first aider/trained medical aid?</p>	<p><input checked="" type="checkbox"/> Yes <input type="checkbox"/> No F1: Please give details: The facility has 04 doctor, 06 Nurse and 13 Medical Assistant for medical treatment of the employees.</p>
<p>G: Where the facility provides worker transport - is it fit for purpose, safe, maintained and operated by competent persons e.g. buses and other vehicles?</p>	<p><input type="checkbox"/> Yes <input checked="" type="checkbox"/> No G1: Please give details: The facility does not provide transport for workers.</p>
<p>H: Is secure personal storage space provided for workers in their living space and is fit for purpose?</p>	<p><input type="checkbox"/> Yes <input checked="" type="checkbox"/> No H1: Please give details: No living space provide by facility.</p>
<p>I: Are H&S Risk assessments are conducted (including evaluating the arrangements for workers doing overtime e.g. driving after a long shift) and are there controls to reduce identified risk?</p>	<p><input checked="" type="checkbox"/> Yes <input type="checkbox"/> No I1: Please give details: The facility conducts risk assessment regular basis and their people are in control to reduce identified risk. Last date of Risk Assessment is 05 March 2020.</p>

J: Is the site meeting its legal obligations on environmental requirements including required permits for use and disposal of natural resources?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No J1: Please give details: The facility meets all legal obligations on environmental requirements including required permits for use and disposal of natural resources like gas, water etc.
K: Is the site meeting its customer requirements on environmental standards, including the use of banned chemicals?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No K1: Please give details: The facility does not use banned chemicals and follows the entire customer requirement on environmental standard.

Non-compliance:

1. Description of non-compliance:

☒ NC against ETI/Additional Elements against customer code:
☒ NC against Local Law
☐ NC

It was noted through Factory License review and management interview that facility's Factory License has been expired on 01 July 2020.

Note that facility management had applied for the renewal of license to concerned authority in 29 June 2020.

Local law and/or ETI requirement

Working condition are safe and hygienic 3.1:

A safe and hygienic working environment shall be provided, bearing in mind the prevailing knowledge of the industry and of any specific hazards. Adequate steps shall be taken to prevent accidents and injury to health arising out of, associated with, or occurring in the course of work, by minimising, so far as is reasonably practicable, the causes of hazards inherent in the working environment.

Bangladesh Labour Rules 2015 Rule 355:

355. License registration fee and providing license: -(1) Subject to receipt of fee at rates specified in schedule -7, the inspector general shall sanction a license as per Form-78 and he shall maintain records of sanction of said license and renewal and amendment thereof.

(2) Validity of each of licenses shall continue up to 30 June of the financial year in which the license will be sanctioned.

(3) For renewal of license, an application shall have to be forwarded to the Inspector General as per Form-77 on payment of prescribed renewal fee.

(4) Unless the license is renewed within one year of expiry thereof on payment of late fee as per rule, the license shall be treated to be automatically cancelled and in that case the authority shall have right to lodge complaints or cases to close that firm.

(5) License of its copies shall have to be shown or hung in a public place of the said factory, industrial firm, commercial firm, commercial bank or insurance firm, shop or contracting firm.

(6) Unless renewal of license is applied within the stipulate time on payment of

Objective evidence observed:

(where relevant please add photo numbers)

1. Factory License review and management interview

license renewal fee as per by-law (3), and application is made for renewal within next three months on payment of the same, then additional fee at the rate of twenty-five take percent shall have to be paid for renewal of license.

(7) In case of expiry of three months, fifty take percent (50%) along with the renewal fee shall have to be paid.

(8) Unless application is made within six months, then an additional fee equivalent to the renewal fee shall have to be paid;

Provided, however, that if any part of the renewal fee is paid within the stipulate date, additional fee will apply only to the unpaid figure.

Recommended corrective action:

It is recommended that facility should obtain valid Factory License from the concerned authority.

Action by: Mr. Md. Rasel Ahmed, Asst. General Manager (HR & Compliance)

Timeframe: 60 days

Verification Method: Desktop

2. Description of non-compliance:

☒ NC against ETI/Additional Elements ☒ NC against Local Law ☐ NC against customer code:

It was noted through site tour, worker and management interview that members of firefighting, rescue and first aid team were found not wearing prescribed identification aprons in basement to 6th floor and 8th to 10th floor of main production building. However, facility has provided aprons to the team members.

Local law and/or ETI requirement

Working condition are safe and hygienic 3.1:

A safe and hygienic working environment shall be provided, bearing in mind the prevailing knowledge of the industry and of any specific hazards. Adequate steps shall be taken to prevent accidents and injury to health arising out of, associated with, or occurring in the course of work, by minimising, so far as is reasonably practicable, the causes of hazards inherent in the working environment.

Bangladesh Labour Rules 2015, Rule 55 (11).

The members of firefighting team, rescue team and first aid team must wear the prescribed uniform while conducting their respective operations and the dress code shall be as follows:

- Firefighting team: Yellow colored apron, in rear of which 'FIRE' shall be written in red color.
- Rescue team: Yellow colored apron, in rear of which 'RESCUE' shall be written in red color.
- First aid team: White colored apron, in rear of which 'FIRST AID' shall be written in red color.

Recommended corrective action:

It is recommended that the facility should ensure members of firefighting, rescue and first aid team are wearing prescribed identification apron.

Action by: Mr. Md. Rasel Ahmed, Asst. General Manager (HR & Compliance)

Timeframe: 60 days

Verification Method: Desktop

2. site tour, worker and management interview

3. Description of non-compliance:

☒ NC against ETI/Additional Elements against customer code: ☒ NC against Local Law ☐ NC

It was noted through site tour that approximately 40% needle guards of sewing machines in sewing sections were found displaced from target position at 2nd to 6th floor and 8th to 10th floor of main production building by workers.

Local law and/or ETI requirement

Working condition are safe and hygienic 3.1:

A safe and hygienic working environment shall be provided, bearing in mind the prevailing knowledge of the industry and of any specific hazards. Adequate steps shall be taken to prevent accidents and injury to health arising out of, associated with, or occurring in the course of work, by minimising, so far as is reasonably practicable, the causes of hazards inherent in the working environment.

Bangladesh Labour Rule 2015, Rule 64 (2):

Effective machine guard or eye safety goggles must be installed/used in all cases where the possibility of having injuries in the eye is high.

Recommended corrective action:

It is recommended that facility should ensure periodic monitoring of machine guards' usage.

Action by: Mr. Md. Rasel Ahmed, Asst. General Manager (HR & Compliance)

Timeframe: 60 days

Verification Method: Desktop

3. site tour

NC Photo 2

4. Description of non-compliance:

☒ NC against ETI/Additional Elements against customer code: ☒ NC against Local Law ☐ NC

It was noted through site tour, management and worker interview that approximate 8 out of 12 snap button machine operators were not using eye safety goggles while working at 8th and 9th floor of finishing section in main production building. However, facility management has provided them relevant personal protective equipment to workers.

Local law and/or ETI requirement

Working condition are safe and hygienic 3.1:

A safe and hygienic working environment shall be provided, bearing in mind the prevailing knowledge of the industry and of any specific hazards. Adequate steps shall be taken to prevent accidents and injury to health arising out of, associated with, or occurring in the course of work, by minimising, so far as is reasonably practicable, the causes of hazards inherent in the working environment.

Bangladesh Labour Rules 2015, Rule 67 (2):

In addition to the arrangement of safety and health protection measures mentioned in Sub-section (1), the concerned manufacturing institute must provide necessary equipment, including safety shoes, helmets, goggles, masks,

4. site tour, management and worker interview

NC photo 1

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

Recommended corrective action:

It is recommended that the facility should ensure appropriate personal protective equipment are used by workers according to risk and hazard.

Action by: Mr. Md. Rasel Ahmed, Asst. General Manager (HR & Compliance)

Timeframe: 60 days

Verification Method: Desktop

5. Description of non-compliance:

☒ NC against ETI/Additional Elements ☒ NC against Local Law ☐ NC against customer code:

It was noted through site tour that dust and fabric waste generated from cutting process were not properly cleaned in cutting section (2nd to 6th floor and 8th to 10th floor of main production building).

Local law and/or ETI requirement

Working condition are safe and hygienic 3.1:

A safe and hygienic working environment shall be provided, bearing in mind the prevailing knowledge of the industry and of any specific hazards. Adequate steps shall be taken to prevent accidents and injury to health arising out of, associated with, or occurring in the course of work, by minimising, so far as is reasonably practicable, the causes of hazards inherent in the working environment.

Bangladesh Labour Law 2006, Section 51 (a):

the dirt and refuse shall be removed daily by sweeping in a suitable manner from the floors, work rooms, staircases and passages of the establishment;

Recommended corrective action:

It is recommended that the facility should ensure periodic cleaning in production floors.

Action by: Mr. Md. Rasel Ahmed, Asst. General Manager (HR & Compliance)

Timeframe: 60 days

Verification Method: Desktop

6. Description of non-compliance:

☒ NC against ETI/Additional Elements ☒ NC against Local Law ☐ NC against customer code:

It was noted through site tour that randomly checked 2 toilet areas at 8th and 9th floor of main production building was found not sufficiently clean and not equipped with handwash soap.

Local law and/or ETI requirement

Working condition are safe and hygienic 3.1:

A safe and hygienic working environment shall be provided, bearing in mind the prevailing knowledge of the industry and of any specific hazards. Adequate

5. site tour

NC photo 4

6. Building construction approval plan review and management interview

steps shall be taken to prevent accidents and injury to health arising out of, associated with, or occurring in the course of work, by minimising, so far as is reasonably practicable, the causes of hazards inherent in the working environment.

Bangladesh Labour Law 2006, Section 59 (d):

Such toilet shall always be maintained in a clean and sanitary condition with suitable detergents and disinfectants.

Recommended corrective action:

It is recommended that the facility should ensure sufficient handwash supplies and cleanliness of toilets.

Action by: Mr. Md. Rasel Ahmed, Asst. General Manager (HR & Compliance)

Timeframe: 60 days

Verification Method: Desktop

7. Description of non-compliance:

☒ NC against ETI/Additional Elements ☒ NC against Local Law ☐ NC against customer code:

It was noted through Building construction approval plan review and management interview that facility did not have construction approval from concerned authority.

Note that, facility has taken approval from the Chairman of Savar Municipality and facility management applied to RAJUK on 16 May 2013.

Local law and/or ETI requirement

Working condition are safe and hygienic 3.1:

A safe and hygienic working environment shall be provided, bearing in mind the prevailing knowledge of the industry and of any specific hazards. Adequate steps shall be taken to prevent accidents and injury to health arising out of, associated with, or occurring in the course of work, by minimising, so far as is reasonably practicable, the causes of hazards inherent in the working environment.

Bangladesh Building Construction Act 1952, section (3):

Notwithstanding anything contained in any other law for the time being in force, or in any agreement, no person shall, without the previous sanction of an Authorized Officer, construct or re-construct or make addition or alternation to any building, or excavate or re-excavate any tank within the area to which this Act applies; and such sanction shall be subject to such terms and conditions as the Authorized Officer may think fit to impose

Recommended corrective action:

It is recommended that the facility should have building construction approval from concerned authority.

Action by: Mr. Md. Rasel Ahmed, Asst. General Manager (HR & Compliance)

Timeframe: 60 days

Verification Method: Desktop

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

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

4: Child Labour Shall Not Be Used

4: Child Labour Shall Not Be Used

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

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

ETI

4.1 There shall be no new recruitment of child labour.

4.2 Companies shall develop or participate in and contribute to policies and programmes which provide for the transition of any child found to be performing child labour to enable her or him to attend and remain in quality education until no longer a child.

4.3 Children and young persons under 18 shall not be employed at night or in hazardous conditions.

4.4 These policies and procedures shall conform to the provisions of the relevant ILO Standards.

Current Systems and Evidence Examined

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

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

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

Details:

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

Any other comments: None

A: Legal age of employment:	18
B: Age of youngest worker found:	20
C: Are there children present on the work floor but not working at the time of audit?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
D: % of under 18's at this site (of total workers)	0 %

E: Are workers under 18 subjects to hazardous work assignments?
[\(Go to clause 3 – Health and Safety\)](#)

☐ Yes
☒ No

E1: If yes, give details: Not applicable as the facility did not recruit workers under 18 age.

Non-compliance:

1. Description of non-compliance:

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

None observed

Local law and/or ETI requirement: Not applicable

Recommended corrective action: Not applicable

Objective evidence observed:

(where relevant please add photo numbers)

None observed

Observation:

Description of observation: None observed

Local law or ETI requirement: Not applicable

Comments: None

Objective evidence observed:

None observed

Good Examples observed:

Description of Good Example (GE): None observed

Objective Evidence Observed:

None observed

5: Living Wages are paid

5: Living Wages are Paid

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

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

ETI

5.1 Wages and benefits paid for a standard working week meet, at a minimum, national legal standards or industry benchmark standards, whichever is higher. In any event wages should always be enough to meet basic needs and to provide some discretionary income.

5.2 All workers shall be provided with written and understandable information about their employment conditions in respect to wages before they enter employment and about the particulars of their wages for the pay period concerned each time that they are paid.

5.3 Deductions from wages as a disciplinary measure shall not be permitted nor shall any deductions from wages not provided for by national law be permitted without the expressed permission of the worker concerned. All disciplinary measures should be recorded.

Current Systems and Evidence Examined

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

Current systems:

- The facility is providing local legal minimum wage BDT 8000/month for all the employees.
- Time keeping system is Electronic Face Detection.
- All workers are provided with written and understandable information about their employment conditions in respect to wages before they enter employment and about the particulars of their wages for the pay period concerned each time that they are paid.
- All social insurance payments were passed on to the relevant authorities in a timely manner.
- Each employee was given a pay slip and signed for their wages.
- All employees were paid within 7 working days of the following month.
- Employees are aware of their minimum wage.
- Wages have been recorded according to documents checked.
- All employees are getting 200% premium rate/ overtime rate based on basic wage.
- Based on documents review (salary sheet, employee appointment letter) facility ensured minimum wage to all employees as per grade/ job description.
- Facility deducted from wage for unauthorised purpose e.g. deduction was found for absent from work. No illegal deduction was found.
- Wages have been recorded according to documents checked.
- The records reviewed are as follows June 2020 (Currently Paid month), January 2020 (Off-Peak Month), September 2019 (Peak Month)
- There are some good practices by the facility; see below GE section.

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

Details:

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

- Final settlement record review

Any other comments: None

Non-compliance:

1. Description of non-compliance:

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

None observed

Local law and/or ETI requirement: Not applicable

Recommended corrective action: Not applicable

Objective evidence observed:

(where relevant please add photo numbers)

None observed

Observation:

Description of observation:

The facility has settled/paid 65% of gross wages for general work off in April 2020 (60% in the month of April 2020 and additional 5% along with the salary of May 2020) during the COVID-19 situation as per Govt declaration ref no 40.00.0000.042.99.001.18-70. Note that, the facility declared work off and closed from 28th Mar 2020 to 01st April 2020 and 5th April to 20th April 2020 due to COVID-19 situation. For the working days in April 2020, the facility had settled 100% of their gross wage.

Local law or ETI requirement:

Living Wages are Paid: 5.1:

Wages and benefits paid for a standard working week meet, at a minimum, national legal standards or industry benchmark standards, whichever is higher. In any event wages should always be enough to meet basic needs and to provide some discretionary income.

Comments:

As per industrial practice.

Objective evidence observed:

Timecard & Salary Sheet Review

Good Examples observed:

Description of Good Example (GE):

- Facility provides free lunch to all employees as per company policy.
- Facility provides attendance bonus (BDT 500 & BDT 300) all employees as per company policy.
- Facility provides Eid groceries to all employees as per company policy

Objective Evidence Observed:

Documents review, management and employees' interview

Summary Information

Criteria	Local Law (Please state legal requirement)	Actual at the Site (Record site results against the law)	Is this part of a Collective Bargaining Agreement?
A: Standard/Contracted work hours: (Maximum legal and actual required working hours excluding overtime, please state if possible per day, week, and month)	Legal maximum: 08 hours per day 48 hours per week 208 hours per month	A1: 08 hours per day 48 hours per week 208 hours per month (For all sample months)	A2: <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No (Not mandatory by Local Law)
B: Overtime hours: (Maximum legal and actual overtime hours, please state if possible per day, week, and month)	Legal maximum: 04 hours per day 24 hours per week 104 hours per month (With legal waiver of 02 hours per day)	B1: 2 hour per day 12 hour per week June 2020(Currently Paid month), 2 hour per day 12 hour per week January 2020(Off-Peak Month), 2 hour per day 12 hour per week September 2019 (Peak Month)	B2: <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No (Not mandatory by Local Law)
C: Wage for standard/contracted hours: (Minimum legal and actual minimum wage at site, please state if possible per hr, day, week, and month)	Legal minimum: BDT 8000.00 per month	C1: BDT 8000.00 per month (From sample employees)	C2: <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No (Not mandatory by Local Law)
D: Overtime wage: (Minimum legal and actual minimum overtime wage at site, please state if possible per hr, day, week, and month)	Legal minimum: Per hour 200% of basic hourly rate	D1: Per hour 200% of basic hourly rate	D2: <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No (Not mandatory by Local Law)

Wages analysis:

Wages analysis: (Click here to return to Key Information)																																																																
A: Were accurate records shown at the first request?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No																																																															
A1: If No , why not?	Not applicable																																																															
B: Sample Size Checked (State number of worker records checked and from which weeks/months – should be current, peak, and random/low. Please see SMETA Best Practice Guidance and Measurement Criteria)	67 samples from June 2020 (Currently Paid month), 67 samples from January 2020 (Off-Peak Month), 67 samples from September 2019 (Peak Month)																																																															
C: Are there different legal minimum wage grades? If Yes , please specify all.	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <p>C1: If Yes, please give details: The Government announced pay structure on 24th January 2019 for the workers of the Garments Industries with effect from December 2018. For the worker level employees:</p> <table border="1"> <thead> <tr> <th>Grades</th> <th>Basic wage (BDT)</th> <th>House rent (50% basic) (BDT)</th> <th>Meal (BDT)</th> <th>Medical (BDT)</th> <th>Travel (BDT)</th> <th>Gross monthly wage (BDT)</th> </tr> </thead> <tbody> <tr> <td>Grade 1</td> <td>10938</td> <td>5469</td> <td>900</td> <td>600</td> <td>350</td> <td>18257</td> </tr> <tr> <td>Grade 2</td> <td>9044</td> <td>5422</td> <td>900</td> <td>600</td> <td>350</td> <td>15416</td> </tr> <tr> <td>Grade 3</td> <td>5330</td> <td>2665</td> <td>900</td> <td>600</td> <td>350</td> <td>9845</td> </tr> <tr> <td>Grade 4</td> <td>4998</td> <td>2499</td> <td>900</td> <td>600</td> <td>350</td> <td>9347</td> </tr> <tr> <td>Grade 5</td> <td>4683</td> <td>2342</td> <td>900</td> <td>600</td> <td>350</td> <td>8875</td> </tr> <tr> <td>Grade 6</td> <td>4380</td> <td>2190</td> <td>900</td> <td>600</td> <td>350</td> <td>8420</td> </tr> <tr> <td>Grade 7</td> <td>4100</td> <td>2050</td> <td>900</td> <td>600</td> <td>350</td> <td>8000</td> </tr> <tr> <td>Apprentice</td> <td>2750</td> <td>1375</td> <td>900</td> <td>600</td> <td>350</td> <td>5975</td> </tr> </tbody> </table>	Grades	Basic wage (BDT)	House rent (50% basic) (BDT)	Meal (BDT)	Medical (BDT)	Travel (BDT)	Gross monthly wage (BDT)	Grade 1	10938	5469	900	600	350	18257	Grade 2	9044	5422	900	600	350	15416	Grade 3	5330	2665	900	600	350	9845	Grade 4	4998	2499	900	600	350	9347	Grade 5	4683	2342	900	600	350	8875	Grade 6	4380	2190	900	600	350	8420	Grade 7	4100	2050	900	600	350	8000	Apprentice	2750	1375	900	600	350	5975
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Apprentice	2750	1375	900	600	350	5975																																																										
D: If there are different legal minimum grades, are all workers graded and paid correctly?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A <p>D1: If No, please give details:</p>																																																															
E: For the lowest paid production workers, are wages paid for standard/contracted hours (excluding overtime) below or above the legal minimum?	<input type="checkbox"/> Below legal min <input checked="" type="checkbox"/> Meet <input checked="" type="checkbox"/> Above <p>E1: Lowest actual wages found: <i>Note: full time employees and please state hour / week / month etc.</i> Lowest gross salary is 8000.00 BDT which Meets minimum legal wage (As per new pay structure announced on 24th January 2019)</p>																																																															

F: Please indicate the breakdown of workforce per earnings:	F1: ____% of workforce earning under minimum wage F2: 10% of workforce earning minimum wage F3: 90% of workforce earning above minimum wage	
G: Bonus Scheme found: Please specify details:	Bonus Scheme found: <i>Note: type of employee (e.g. full time, temp, etc.) and please state which units e.g. /hour /week /month etc.</i> Bonus Scheme found: <ul style="list-style-type: none"> Attendance Bonus: BDT 500 & 300 per month. 	
H: What deductions are required by law e.g. social insurance? Please state all types:	As per section 125 of the Bangladesh Labour Law, 2006, factory may deduct wages for un-authorized absence, for fines, housing facility, advance payments, loans, income tax, provident fund, etc.	
I: Have these deductions been made?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	I1: Please list all deductions that have been made. 1. Un-authorized absence Please describe: As per section 125 of the Bangladesh Labour Law, 2006,
		I2: Please list all deductions that have not been made. 1. Revenue Stamp 2. Provident Fund 3. For fines, 4. loans, 5. income tax 6. housing facility 7. Advance payments Please describe: Facility does not deduct the above as they are not required.
J: Were appropriate records available to verify hours of work and wages?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	
K: Were any inconsistencies found? (if yes describe nature)	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	K1: Type <input type="checkbox"/> Poor record keeping <input type="checkbox"/> Isolated incident <input type="checkbox"/> Repeated occurrence:
L: Do records reflect all time worked? (For instance, are workers asked to attend	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No L1: Please give details: The facility shows all real records which reflect all scenarios.	

meetings before or after work but not paid for their time)	
<p>M: Is there a defined living wage: <i>This is <u>not normally</u> minimum legal wage. If answered yes, please state amount and source of info: Please see SMETA Best Practice Guidance and Measurement Criteria.</i></p>	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No M1: Please specify amount/time: Facility did not define living wages as it is not required by law.
<p>M2: If yes, what was the calculation method used.</p>	<input type="checkbox"/> ISEAL/Anker Benchmarks <input type="checkbox"/> Asia Floor Wage <input type="checkbox"/> Figures provided by Unions <input type="checkbox"/> Living Wage Foundation UK <input type="checkbox"/> Fair Wear Wage Ladder <input type="checkbox"/> Fairtrade Foundation Other – please give details: Not applicable
<p>N: Are there periodic reviews of wages? If Yes give details (include whether there is consideration to basic needs of workers plus discretionary income).</p>	<input type="checkbox"/> Yes <input type="checkbox"/> No N1: Please give details: There are no periodic reviews of wages.
<p>O: Are workers paid in a timely manner in line with local law?</p>	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
<p>P: Is there evidence that equal rates are being paid for equal work:</p>	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No P1: Please give details: Through payroll records review and employees' interviews, it was confirmed that equal rates are being paid for equal work
<p>Q: How are workers paid:</p>	<input type="checkbox"/> Cash <input type="checkbox"/> Cheque <input checked="" type="checkbox"/> Bank Transfer <input type="checkbox"/> Other Q1: If other, please explain:

6: Working Hours are not Excessive

6: Working Hours are not Excessive

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

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

ETI

6.1 Working hours must comply with national laws, collective agreements, and the provisions of 6.2 to 6.6 below, whichever affords the greater protection for workers. Sub-clauses 6.2 to 6.6 are based on international labour standards.

6.2 Working hours, excluding overtime, shall be defined by contract, and shall not exceed 48 hours per week.

6.3 All overtime shall be voluntary. Overtime shall be used responsibly, taking into account all the following: the extent, frequency and hours worked by individual workers and the workforce as a whole. It shall not be used to replace regular employment. Overtime shall always be compensated at a premium rate, which is recommended to be not less than 125% of the regular rate of pay.

6.4 The total hours worked in any 7-day period shall not exceed 60 hours, except where covered by clause 6.5 below.

6.5 Working hours may exceed 60 hours in any 7-day period only in exceptional circumstances where **all** of the following are met:

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

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

Current Systems and Evidence Examined

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

Current systems:

- In this audit, auditor had randomly selected production record, such as: Material in/out records, daily production reports, and crosschecked these records with payroll records and attendance records, no inconsistency was noted. In addition, through employees' interviews, no inconsistency was noted either.
- Through employees' interview, overtime is voluntary.
- Time record system is maintained by Electronic Face Detection
- All overtime is compensated at a premium rate for all employees.
- Facility remains closed on Friday

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

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

Any other comments: None

Non-compliance:
1. Description of non-compliance:
☐ NC against ETI ☐ NC against Local Law ☐ NC against customer code:

None observed

Local law and/or ETI requirement: Not applicable

Recommended corrective action: None

Objective evidence observed:
(where relevant please add photo numbers)

None observed

Observation:
1. Description of non-compliance:
☐ NC against ETI ☐ NC against Local Law ☐ NC against customer code:

None observed

Local law and/or ETI requirement: Not applicable

Recommended corrective action: None

Objective evidence observed:
(where relevant please add photo numbers)

None observed

Good Examples observed:

Description of Good Example (GE): None observed

Objective evidence observed:

None observed

7: No Discrimination is practiced

7: No Discrimination is Practiced

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

ETI

7.1 There is no discrimination in hiring, compensation, access to training, promotion, termination or retirement based on race, caste, national origin, religion, age, disability, gender, marital status, sexual orientation, union membership or political affiliation.

Current Systems and Evidence Examined

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

Current systems:

- There is no discrimination in hiring, compensation, access to training, promotion, termination or retirement based on race, caste, national origin, religion, age, disability, gender, marital status, sexual orientation, union membership or political affiliation.
- Gender discrimination was also absent in the facility; both female and male workers were distributed in all types of work.
- There was no evidence of sexual harassment.
- There was an internal grievance process, all sampled employees were aware of the grievance channels in case they encountered any discrimination cases.
- The factory provides the same wage amount to male/female employees of the same rank.
- There is no restriction for formation of trade union in the factory.

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

Details:

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

Any other comments: None

A: Gender breakdown of Management + Supervisors (Include as one combined group)	A1: Male: - 80% A2: Female: - 20%
B: Number of women who are in skilled or technical roles e.g. where specific qualifications are needed i.e. machine engineer / laboratory analyst:	#: 0 No women found who are in skilled or technical roles
C: Is there any evidence of discrimination based on race, caste, national origin, religion, age, disability, gender, marital status, sexual orientation, union membership or political affiliation?:	<input type="checkbox"/> Hiring <input type="checkbox"/> Compensation <input type="checkbox"/> Access to training <input type="checkbox"/> Promotion <input type="checkbox"/> Termination or retirement

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

Professional Development	
A: What type of training and development are available for workers?	The facility provides on job training for the selected workers in their training section. After completion of training the workers are evaluated through exams.

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

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

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

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

Working hours' analysis

Working hours' analysis Please include time e.g. hour/week/month (Go back to Key information)			
Systems & Processes			
A. What timekeeping systems are used: time card etc.	Describe: Electronic Face Detection		
B: Is sample size same as in wages section?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No B1: If no, please give details		
C: Are standard/contracted working hours defined in all contracts/employment agreements?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	C1: If NO, please give details including % and which type of workers do NOT have standard hours defined in contracts/employment agreements. Please give details:	
D: Are there any other types of contracts/employment agreements used?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	D1: If YES, please complete as appropriate: <div> <input type="checkbox"/> 0 hrs <input type="checkbox"/> Part time <input type="checkbox"/> Variable hrs <input type="checkbox"/> Other </div> If "Other", Please define:	
E. Do any standard/contracted working hours defined in contracts/employment agreements exceed 48 hours per week?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	E1: If yes , please detail hours, %, types of workers affected and frequency Please give details:	
F: Are workers provided with at least 1 day off in every 7-day-period, or 2 in 14-day-period?	F2: Please select all applicable: <input checked="" type="checkbox"/> 1 in 7 days <input type="checkbox"/> 2 in 14 days <input type="checkbox"/> No If 'No', please explain:	F3: Is this allowed by local law? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	
	Maximum number of days worked without a day off (in sample):		
	6 Days		

Standard/Contracted Hours worked		
G: Were standard working hours over 48 hours per week found?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	G1: If yes, % of workers & frequency:
H: Any local waivers/local law or permissions which allow averaging/annualised hours for this site?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	H1: If yes, please give details: Circular dated 08 July 2020 from ministry: Facility can do 04 (Four) hours overtime in a day with the consent of the employees up to 06 (Six) months started fulfilling the below conditions: a) OT should be paid at the rate of 200% of regular WH. b) Overtime should be voluntary. c) Weekly day off to be ensured.2019
Overtime Hours worked		
I: Actual overtime hours worked in sample (State per day/week/month)	Highest OT hours: 2 hour per day 12 hour per week June 2020(Currently Paid month), 2 hour per day 12 hour per week January 2020(Off-Peak Month), 2 hour per day 12 hour per week September 2019 (Peak Month))	
J: Combined hours (standard or contracted + overtime hours = total) over 60 found? Please give details:	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	
K: Approximate percentage of total workers on highest overtime hours:	10%	
L: Is overtime voluntary?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> Conflicting Information	L1: Please detail evidence e.g. Wording of contract / employment agreement / handbook / worker interviews / refusal arrangements: Facility provides employment contract to all employees where it is written that overtime is fully voluntary.

Overtime Premiums		
M: Are the correct legal overtime premiums paid?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A – there is no legal requirement to OT premium	M1: Please give details of normal day overtime premium as a % of standard wages: 200% of standard wages
N: Is overtime paid at a premium?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	N1: If yes, please describe % of workers & frequency: Overtime payments for all employees are as per legal requirement
O: If the site pays less than 125% OT premium and this is allowed under local law, are there other considerations? Please complete the boxes where relevant.	<input type="checkbox"/> No <input type="checkbox"/> Consolidated pay (May be standard wages above minimum legal wage, with no/low overtime premium) <input type="checkbox"/> Collective Bargaining agreements <input type="checkbox"/> Other	
	O1: Please explain any checked boxes above e.g. detail of consolidated pay / CBA or Other	
	Not applicable	
P: If more than 60 total hours per week and this is legally allowed, are there other considerations? Please complete the boxes where relevant.	<input type="checkbox"/> Overtime is voluntary <input type="checkbox"/> Onsite Collective bargaining allows 60+ hours/week <input type="checkbox"/> Safeguards are in place to protect worker's health and safety <input type="checkbox"/> Site can demonstrate exceptional circumstances <input type="checkbox"/> Other reasons (please specify)	
	P1: Please explain any checked boxes above e.g. detail of consolidated pay / CBA or other:	
	Not applicable	
Q: Is there evidence that overtime hours are being used for extended periods to make up for labour shortages or increased order volumes?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No Q1: If yes, please give details:	
R: If sufficient workers cannot be hired, are new working time arrangements explored to ensure that overtime is the exception rather than the rule.	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	

8: Regular Employment Is Provided

8: Regular Employment Is Provided

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ETI

8.1 To every extent possible work performed must be on the basis of recognised employment relationship established through national law and practice.

8.2 Obligations to employees under labour or social security laws and regulations arising from the regular employment relationship shall not be avoided through the use of labour-only contracting, sub-contracting, or home-working arrangements, or through apprenticeship schemes where there is no real intent to impart skills or provide regular employment, nor shall any such obligations be avoided through the excessive use of fixed-term contracts of employment.

Additional Elements: Responsible Recruitment

8.3 Suppliers have full understanding of the entire recruitment process and assess all labour recruiters and intermediaries against legal and/or ethical requirements.

8.4 There are effective management systems in place to identify and monitor the hiring and management of all migrant workers, contract workers, agency workers, temporary or casual labour. The supplier shall implement processes to enable adequate control over agencies with regards the above points and related legislation.

8.5 Employment agencies must only supply workers registered with them.

8.6 Workers pay no recruitment fee at any stage of the recruitment process.

8.7 Worker contracts accurately reflect the agreed payment and terms in the recruitment process and are understood and signed by workers.

Current Systems and Evidence Examined

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

Current systems:

- All employees were recruited by the factory directly.
- No labour agency was used to hire workers. No temporary worker, apprenticeship schemes or home worker was identified by the auditors.
- No subcontractors were used.
- All workers getting signed labour contract and ID card during their recruitment.
- Factory maintains service books for all workers.

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

Details:

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

Any other comments: None

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

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

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

Responsible Recruitment

All Workers	
A: Were all workers presented with terms of employment at the time of recruitment, did they understand them and are they same as current conditions?	<input checked="" type="checkbox"/> Terms & Conditions presented <input checked="" type="checkbox"/> Understood by workers <input checked="" type="checkbox"/> Same as actual conditions A1: If any are unchecked, please describe finding and specific category(ies) of workers affected:
B: Did workers' pay any fees, taxes, deposits or bonds for the purpose of recruitment/placement?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No B1: If yes, please describe details and specific category(ies) of workers affected:

C: If yes, check all that apply:	<input type="checkbox"/> Recruitment / hiring fees <input type="checkbox"/> Service fees <input type="checkbox"/> Application costs <input type="checkbox"/> Recommendation fees <input type="checkbox"/> Placement fees <input type="checkbox"/> Administrative, overhead or processing fees <input type="checkbox"/> Skills tests <input type="checkbox"/> Certifications <input type="checkbox"/> Medical screenings <input type="checkbox"/> Passports/ID's <input type="checkbox"/> Work / resident permits <input type="checkbox"/> Birth certificates <input type="checkbox"/> Police clearance fees <input type="checkbox"/> Any transportation and lodging costs after employment offer <input type="checkbox"/> Any transport costs between workplace and home <input type="checkbox"/> Any relocation costs after commencement of employment <input type="checkbox"/> New hire training / orientation fees <input type="checkbox"/> Medical exam fees <input type="checkbox"/> Deposit bonds or other deposits <input type="checkbox"/> Any other non-monetary assets <input type="checkbox"/> Other – C1: If other, please give details:
D: If any checked, give details:	None

Migrant Workers: <i>The term "migrant worker" refers to a person who is engaged or has been engaged in a remunerated activity in a country of which they are not a national or permanent resident or has purposely migrated on a temporary basis to another in-country region to seek and engage in a remunerated activity</i>		
A: Type of work undertaken by migrant workers:	Not Applicable	
B: Please give details about recruitment agencies for migrant workers:	B1: Total number of (in country recruitment agencies) used: B2: Total number of (outside of local country) recruitment agencies used: Not Applicable	
C: Are migrant workers' voluntary deductions (such as for remittances) confirmed in writing by the worker and is evidence of the transaction supplied by the facility to the worker?	<input type="checkbox"/> Yes <input type="checkbox"/> No C1: Please describe finding: Not Applicable	C2: Observations: Not Applicable
D: Are Any migrant workers in skilled, technical, or management roles <i>Migrant Workers (this should include all migrant workers including permanent workers, temporary and/or seasonal workers)</i>	<input type="checkbox"/> Yes <input type="checkbox"/> No D1: If yes, number and example of roles: Not Applicable	

NON-EMPLOYEE WORKERS

Recruitment Fees:	
A: Are there any fees?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
B: If yes, check all that apply:	<input type="checkbox"/> Recruitment / hiring fees <input type="checkbox"/> Service fees <input type="checkbox"/> Application costs <input type="checkbox"/> Recommendation fees <input type="checkbox"/> Placement fees <input type="checkbox"/> Administrative, overhead or processing fees <input type="checkbox"/> Skills tests <input type="checkbox"/> Certifications <input type="checkbox"/> Medical screenings <input type="checkbox"/> Passports/ID's <input type="checkbox"/> Work / resident permits <input type="checkbox"/> Birth certificates <input type="checkbox"/> Police clearance fees <input type="checkbox"/> Any transportation and lodging costs after employment offer <input type="checkbox"/> Any transport costs between workplace and home <input type="checkbox"/> Any relocation costs after commencement of employment <input type="checkbox"/> New hire training / orientation fees <input type="checkbox"/> Medical exam fees <input type="checkbox"/> Deposit bonds or other deposits <input type="checkbox"/> Any other non-monetary assets <input type="checkbox"/> Other B1 – If other, please give details: Not Applicable
C: If any checked, give details:	Not Applicable

Agency Workers (if applicable) <i>(workers sourced from a local agent who are not directly paid by the site, but paid by the agency, Usually the agencies are paid by the site and the wages of the individual workers are paid by the agency.)</i>	
A: Number of agencies used (average):	A1: Names if available: Not Applicable
B: Were agency workers' age / pay / hours included within the scope of this audit?	<input type="checkbox"/> Yes <input type="checkbox"/> No Not Applicable
C: Were sufficient documents for agency workers available for review?	<input type="checkbox"/> Yes <input type="checkbox"/> No Not Applicable

D: Is there a legal contract / agreement with all agencies?	<input type="checkbox"/> Yes <input type="checkbox"/> No D1: Please give details: Not applicable, site does not use agencies
E: Does the site have a system for checking labour standards of agencies? If yes, please give details.	<input type="checkbox"/> Yes <input type="checkbox"/> No E1: Please give details: Not applicable, site does not use agencies

<p align="center">Contractors:</p> <p><i>Note: contractors in this context are generally individuals who supply several workers to a site. Usually the contractors are paid by the site and the wages of the workers are paid by the contractor. Common terms include, gang bosses, labor provider,</i></p>	
A: Any contractors on site?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No A1: If yes, how many contractors are present, please give details:
B: If Yes , how many workers supplied by contractors?	Not applicable. There are no contractors in the facility.
C: Do all contractor workers understand their terms of employment?	<input type="checkbox"/> Yes <input type="checkbox"/> No C1: Please describe finding: Not applicable. There are no contractors in the facility.
D: If Yes , please give evidence for contractor workers being paid per law:	Not applicable. There are no contractors in the facility.

8A: Sub-Contracting and Homeworking:

8A: Sub-Contracting and Homeworking

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

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

Note to auditor on homeworking:

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

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

Current Systems and Evidence Examined

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

Current systems:

- No Sub-contracting and Homeworking were used by this facility.

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

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

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

Not applicable

Details: None

Non-compliance:

1. Description of non-compliance:

☐ NC against ETI/Additional Elements

☐ NC against Local Law

☐ NC against customer code:

None observed

Local law and/or ETI requirement: Not applicable

Recommended corrective action: None

Objective evidence observed:

(where relevant please add photo numbers)

None observed

Observation:	
Description of observation: None observed	Objective evidence observed:
Local law or ETI/Additional elements requirement: Not applicable	None observed
Comments: None	

Good Examples observed:	
Description of observation: None observed	Objective evidence observed:
Local law or ETI requirement: Not applicable	None observed
Comments: None	

Summary of sub-contracting – if applicable <input checked="" type="checkbox"/> Not Applicable please x	
A: Has the auditor made a simple calculation to compare capacity with workers' work load in order to identify possible unrecorded work or undeclared sub-contracting	<input type="checkbox"/> Yes <input type="checkbox"/> No A1: Please describe:
B: If sub-contractors are used, is there evidence this has been agreed with the main client?	<input type="checkbox"/> Yes <input type="checkbox"/> No B1: If Yes , summarise details:
C: Number of sub-contractors/agents used:	
D: Is there a site policy on sub-contracting?	<input type="checkbox"/> Yes <input type="checkbox"/> No D1: If Yes , summarise details:
E: What checks are in place to ensure no child labour is being used and work is safe?	

Summary of homeworking – if applicable <input checked="" type="checkbox"/> Not Applicable please x			
A: If homeworking is being used, is there evidence this has been agreed with the main client?	<input type="checkbox"/> Yes <input type="checkbox"/> No A1: If Yes , summarise details:		
B: Number of homeworkers	B1: Male:	B2: Female:	Total:

C: Are homeworkers employed direct or through agents?	<input type="checkbox"/> Directly <input type="checkbox"/> Through Agents	C1: If through agents, number of agents:
D: Is there a site policy on homeworking?	<input type="checkbox"/> Yes <input type="checkbox"/> No	
E: How does the site ensure worker hours and pay meet local laws for homeworkers?		
F: What processes are carried out by homeworkers?		
G: Do any contracts exist for homeworkers?	<input type="checkbox"/> Yes <input type="checkbox"/> No G1: Please give details:	
H: Are full records of homeworkers available at the site?	<input type="checkbox"/> Yes <input type="checkbox"/> No	

9: No Harsh or Inhumane Treatment is allowed

9: No Harsh or Inhumane Treatment is Allowed

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

ETI

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

Additional elements:

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

<p>A: Are there published, anonymous and/or open channels available for reporting any violations of Labour standards and H&S or any other grievances to a 3rd party?</p>	<p><input checked="" type="checkbox"/> Yes <input type="checkbox"/> No</p> <p>A1: Please give details: Facility has an open channel for reporting any violations of labour standard which is posted in the notice board. Facility provided complain box in every washroom for receiving complain. Workers can report any violations directly to the compliance manager. Facility also has a grievance handling procedure in place.</p>
<p>B: If Yes, are workers aware of these channels and have access? Please give details.</p>	<p>All the workers are aware of these channels and have full access to these channels. Facility also has a grievance handling procedure posted with every complain box.</p>
<p>C: If yes, what type of mechanism is used e.g. hotline, whistle blowing mechanism, comment box etc. Please give details.</p>	<p>Facility has posted hotline & provided complain box in washroom.</p>
<p>D: Which of the following groups is there a grievance mechanism in place for?</p>	<p><input checked="" type="checkbox"/> Workers <input type="checkbox"/> Communities <input type="checkbox"/> Suppliers <input type="checkbox"/> Other</p> <p>D1: Please give details: Workers can place their grievance verbally or in written. Workers can also keep their identity confidential if required.</p>
<p>E: Are there any open disputes?</p>	<p><input type="checkbox"/> Yes <input checked="" type="checkbox"/> No</p> <p>E1: If yes, please give details</p>
<p>F: Does the site encourage its business partners (e.g. suppliers) to provide individuals and communities with access to effective grievance mechanisms (e.g. helplines or whistle blowing mechanism)</p>	<p><input checked="" type="checkbox"/> Yes <input type="checkbox"/> No</p> <p>F1: If no, please give details</p>
<p>G: Is there a published and transparent disciplinary procedure?</p>	<p><input checked="" type="checkbox"/> Yes <input type="checkbox"/> No</p> <p>G1: If no, please explain</p>

H: If yes, are workers aware of these the disciplinary procedure?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No H1: If no, please give details
I: Does the disciplinary procedure allow for deductions from wages (fines) for disciplinary purposes (see wages section)?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No I1: If yes, please give details

Current Systems and Evidence Examined

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

Current systems:

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

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

Details:

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

Any other comments: None

Non-compliance:

1. Description of non-compliance:

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

None observed

Local law and/or ETI requirement: Not applicable

Recommended corrective action: None

Objective evidence observed:

(where relevant please add photo numbers)

None observed

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

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

10 A: Entitlement to Work and Immigration

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

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Additional Elements

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

10A.2 All workers, including employment agency staff, must be validated by the supplier for their legal right to work by reviewing original documentation.

Current Systems and Evidence Examined

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

Current systems:

- Only employees with a legal right to work shall be employed or used by the factory.
- The youngest age was 20 years old.

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

Details:

- Factory recruitment policy.
- Employees personal file.

Any other comments: None

Non-compliance:

1. Description of non-compliance:

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

None observed

Local law and/or ETI requirement: Not applicable

Recommended corrective action: one

Objective evidence observed:

(where relevant please add photo numbers)

None observed

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

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

10 B 2: Environment 2-pillar

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

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

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

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

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

Current Systems and Evidence Examined

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

Current systems:

- The facility prepared an environmental policy and procedure.
- The facility disposes all solid waste in a segregated area with proper level and identification.
- The facility also provides awareness training to all related personnel.
- Solid waste has been handover to licensee vendor as per local legislation who recycled that wastage.
- Facility conduct air emission and noise level test.
- Facility collected environmental clearance certificate from Department of Environment.

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

Details:

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

Any other comments: None

Non-compliance:

1. Description of non-compliance:

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

None observed

Local law and/or ETI requirement: Not applicable

Recommended corrective action: Not applicable

Objective evidence observed:

(where relevant please add photo numbers)

None observed

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

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

Other findings

Other Findings Outside the Scope of the Code
None Observed

Community Benefits (Please list below any specific community benefits that the site management stated that they were involved in, for example, HIV programme, education, sports facilities)
None Observed

Appendix 1

<p>Comparison between ETI code and Customer's Supplier's Code. Any areas where a site complies with the Customer's Supplier Code, but not with the ETI code are discussed at the audit close out meeting and recorded on the CAPR. Note to supplier "for this customer it may not be necessary to complete corrective actions where NC's DO NOT meet the ETI code, but DO meet your customer's code. If the audit is shared with other customers who work to the ETI code or an equivalent international standard, corrective actions will be necessary."</p> <p><input checked="" type="checkbox"/> Not Applicable please x</p>	
<p>NOTE: The provisions of the ETI base Code constitute minimum and not maximum standards, and this code should not be used to prevent companies from exceeding these standards. Companies applying the ETI Base Code are expected to comply with national and other applicable law and, where the provisions of law and the ETI Base Code address the same subject, to apply that provision which affords the greater protection.</p>	<p>Instruction to Audit Company: fill in the relevant clauses from the Customer Supplier Code - where applicable.</p>
ETI Code / Additional Elements	Customer's Supplier Code equivalent
0.A. Universal Rights covering UNGP	0.A. Universal Rights covering UNGP
<p>0.A. Guidance for Observations</p> <p>0.A.1 Businesses should have a policy, endorsed at the highest level, covering human rights impacts and issues, and ensure it is communicated to all appropriate parties, including its own suppliers.</p> <p>0.A.2 Businesses should have a designated person responsible for implementing standards concerning Human rights</p> <p>0.A.3 Businesses shall identify their stakeholders and salient issues.</p> <p>0.A.4 Businesses shall measure their direct, indirect, and potential impacts on stakeholders (rights holders) human rights.</p> <p>0.A.5 Where businesses have an adverse impact on human rights within any of their stakeholders, they shall address these issues and enable effective remediation.</p> <p>0.A.6 Businesses shall have a transparent system in place for confidentially reporting, and dealing with human rights impacts without fear of reprisals towards the reporter.</p>	
0.B. Management Systems & Code Implementation	0.B. Management Systems & Code Implementation
<p>0.1 Suppliers are expected to implement and maintain systems for delivering compliance to this Code.</p>	

<p>0.2 Suppliers shall appoint a senior member of management who shall be responsible for compliance with the Code.</p> <p>0.3 Suppliers are expected to communicate this Code to all employees.</p> <p>0.4 Suppliers should communicate this code to their own suppliers and, where reasonably practicable, extend the principles of this Ethical Code through their supply chain.</p>	
ETI 1. Forced Labour	ETI 1. Forced Labour
<p>1.1 There is no forced, bonded or involuntary prison labour.</p> <p>1.2 Workers are not required to lodge "deposits" or their identity papers with their employer and are free to leave their employer after reasonable notice.</p>	
ETI 2. Freedom of association and the right to collective bargaining are respected	ETI 2. Freedom of association and the right to collective bargaining are respected
<p>2.1 Workers, without distinction, have the right to join or form trade unions of their own choosing and to bargain collectively.</p> <p>2.2 The employer adopts an open attitude towards the activities of trade unions and their organisational activities.</p> <p>2.3 Workers' representatives are not discriminated against and have access to carry out their representative functions in the workplace.</p> <p>2.4 Where the right to freedom of association and collective bargaining is restricted under law, the employer facilitates, and does not hinder, the development of parallel means for independent and free association and bargaining.</p>	
ETI 3. Working conditions are safe and hygienic	ETI 3. Working conditions are safe and hygienic
<p>3.1 A safe and hygienic working environment shall be provided, bearing in mind the prevailing knowledge of the industry and of any specific hazards. Adequate steps shall be taken to prevent accidents and injury to health arising out of, associated with, or occurring in the course of work, by minimising, so far as is reasonably practicable, the causes of hazards inherent in the working environment.</p> <p>3.2 Workers shall receive regular and recorded Health & Safety training, and such training shall be repeated for new or reassigned workers.</p> <p>3.3 Access to clean toilet facilities and to potable water, and, if appropriate, sanitary facilities for food storage shall be provided.</p>	

<p>3.4 Accommodation, where provided, shall be clean, safe, and meet the basic needs of the workers.</p> <p>3.5 The company observing the code shall assign responsibility for Health & Safety to a senior management representative.</p>	
ETI 4. Child labour shall not be used	ETI 4. Child labour shall not be used
<p>4.1 There shall be no new recruitment of child labour.</p> <p>4.2 Companies shall develop or participate in and contribute to policies and programmes which provide for the transition of any child found to be performing child labour to enable her or him to attend and remain in quality education until no longer a child.</p> <p>4.3 Children and young persons under 18 shall not be employed at night or in hazardous conditions.</p> <p>4.4 These policies and procedures shall conform to the provisions of the relevant ILO Standards.</p>	
ETI 5. Living wages are paid	ETI 5. Living wages are paid
<p>5.1 Wages and benefits paid for a standard working week meet, at a minimum, national legal standards or industry benchmark standards, whichever is higher. In any event wages should always be enough to meet basic needs and to provide some discretionary income.</p> <p>5.2 All workers shall be provided with written and understandable information about their employment conditions in respect to wages before they enter employment and about the particulars of their wages for the pay period concerned each time that they are paid.</p> <p>5.3 Deductions from wages as a disciplinary measure shall not be permitted nor shall any deductions from wages not provided for by national law be permitted without the expressed permission of the worker concerned. All disciplinary measures should be recorded.</p>	
ETI 6. Working Hours are not excessive	ETI 6. Working Hours are not excessive
<p>6.1 Working hours must comply with national laws, collective agreements, and the provisions of 6.2 to 6.6 below, whichever affords the greater protection for workers. Sub-clauses 6.2 to 6.6 are based on international labour standards.</p> <p>6.2 Working hours, excluding overtime, shall be defined by contract, and shall not exceed 48 hours per week.</p>	

<p>6.3 All overtime shall be voluntary. Overtime shall be used responsibly, taking into account all the following: the extent, frequency and hours worked by individual workers and the workforce as a whole. It shall not be used to replace regular employment. Overtime shall always be compensated at a premium rate, which is recommended to be not less than 125% of the regular rate of pay.</p> <p>6.4 The total hours worked in any 7 day period shall not exceed 60 hours, except where covered by clause 6.5 below.</p> <p>6.5 Working hours may exceed 60 hours in any 7 day period only in exceptional circumstances where all of the following are met:</p> <ul style="list-style-type: none"> – this is allowed by national law; – this is allowed by a collective agreement freely negotiated with a workers' organisation representing a significant portion of the workforce; – appropriate safeguards are taken to protect the workers' health and safety; and – The employer can demonstrate that exceptional circumstances apply such as unexpected production peaks, accidents or emergencies. <p>6.6 Workers shall be provided with at least one day off in every 7 day period or, where allowed by national law, 2 days off in every 14 day period.</p>	
ETI 7. No discrimination is practised	ETI 7. No discrimination is practised
<p>7.1 There is no discrimination in hiring, compensation, access to training, promotion, termination or retirement based on race, caste, national origin, religion, age, disability, gender, marital status, sexual orientation, union membership or political affiliation.</p>	
ETI 8. Regular employment is provided	ETI 8. Regular employment is provided
<p>8.1 To every extent possible work performed must be on the basis of recognised employment relationship established through national law and practice.</p> <p>8.2 Obligations to employees under labour or social security laws and regulations arising from the regular employment relationship shall not be avoided through the use of labour-only contracting, sub-contracting, or home-working arrangements, or through apprenticeship schemes where there is no real intent to impart skills or</p>	

<p>provide regular employment, nor shall any such obligations be avoided through the excessive use of fixed-term contracts of employment.</p> <p>Additional Elements: Responsible Recruitment</p> <p>8.3 Suppliers have full understanding of the entire recruitment process and assess all labour recruiters and intermediaries against legal and/or ethical requirements.</p> <p>8.4 There are effective management systems in place to identify and monitor the hiring and management of all migrant workers, contract workers, agency workers, temporary or casual labour. The supplier shall implement processes to enable adequate control over agencies with regards the above points and related legislation.</p> <p>8.5 Employment agencies must only supply workers registered with them.</p> <p>8.6 Workers pay no recruitment fee at any stage of the recruitment process.</p> <p>8.7 Worker contracts accurately reflect the agreed payment and terms in the recruitment process and are understood and signed by workers.</p>	
8A: Sub-Contracting and Homeworking	8A: Sub-Contracting and Homeworking
<p>8A.1 There should be no sub-contracting unless previously agreed with the main client.</p> <p>8A.2 Systems and processes should be in place to manage sub-contracting, homeworking and external processing.</p>	
ETI 9. No harsh or inhumane treatment is allowed	ETI 9. No harsh or inhumane treatment is allowed
<p>9.1 Physical abuse or discipline, the threat of physical abuse, sexual or other harassment and verbal abuse or other forms of intimidation shall be prohibited.</p> <p>Additional elements:</p> <p>9.2 companies should provide access to a confidential grievance mechanism for all workers</p>	
10. Other Issue areas: 10A: Entitlement to Work and Immigration	
<p>Additional Elements</p> <p>10A.1 Only workers with a legal right to work shall be employed or used by the supplier.</p> <p>10A.2 All workers, including employment agency staff, must be validated by the supplier for their legal right to work by reviewing original documentation.</p>	
10. Other issue areas 10B2: Environment 2-Pillar	

<p>10B2.1 Suppliers must comply with the requirements of local and international laws and regulations including having necessary permits.</p> <p>10B2.2 The supplier should be aware of and comply with their end clients' environmental requirements.</p> <p><i>Note for auditors and readers, this is not a full environmental assessment but a check on basic systems and management approach.</i></p>	
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SMETA Extra Sections for 4 Pillar Audit:	SMETA Extra Sections for 4 Pillar Audit:
Environment Section	Environment Section
<p>B.4. Compliance Requirements</p> <p>10B4.1 Businesses as a minimum must meet the requirements of local and national laws related to environmental standards.</p> <p>10B4.2 Where it is a legal requirement, businesses must be able to demonstrate that they have the relevant valid permits including for use and disposal of resources e.g. water, waste etc.</p> <p>10B4.3 Businesses shall be aware of their end client's environmental standards/code requirements</p> <p>10B4.4 Suppliers should have an environmental policy, covering their environmental impact, which is communicated to all appropriate parties, including its own suppliers.</p> <p>10B4.5 Suppliers shall be aware of the significant environmental impact of their site and its processes.</p> <p>10B4.6 The site should measure its impacts, including continuous recording and regular reviews of use and discharge of natural resources e.g. energy use, water use (see 4-pillar audit report and audit checks for details).</p> <p>10B4.7 Businesses shall make continuous improvements in their environmental performance.</p> <p>10B4.8 Businesses shall have available for review any environmental certifications or any environmental management systems documentation</p> <p>10B4.9 Businesses should have a nominated individual responsible for co-ordinating the site's efforts to improve environmental performance.</p> <p>B4. Guidance for Observations</p> <p>10B4.10 Suppliers should have completed the appropriate section of the SAQ and made it available to the auditor.</p> <p>10B4.11 Has the site recently been subject to (or pending) any fines/prosecutions for noncompliance to environmental regulations.</p>	
Business Practices Section	

10C. Compliance Requirements

10C.1 Businesses shall conduct their business ethically without bribery, corruption, or any type of fraudulent Business Practice.

10C.2 Businesses as a minimum must meet the requirements of local and national laws related to bribery, corruption, or any type of fraudulent Business Practices.

10C.3 Where it is a legal requirement, businesses must be able to demonstrate that they comply with all fiscal legislative requirements.

10C.4 Businesses shall have access to a transparent system in place for confidentially reporting, and dealing with unethical Business Ethics without fear of reprisals towards the reporter.

10C.5 Businesses should have a Business Ethics policy, covering bribery, corruption, or any type of fraudulent Business Practice,

10C.6 Businesses should have a designated person responsible for implementing standards concerning Business Ethics

10C.7 Suppliers should ensure that the staff whose job roles carry a higher level of risk in the area of ethical Business Practice e.g. sales, purchasing, logistics are trained on what action to take in the event of an issue arising in their area.

10C. Guidance for Observations

10C.8 Businesses should communicate their Business Ethics policy, covering bribery, corruption, or any type of fraudulent Business Practice to all appropriate parties, including its own suppliers.

10C.9 Has the site recently been subject to (or pending) any fines/prosecutions for non-compliance to Business Ethics regulations. If so is there evidence that sustainable corrective actions have been implemented.

Photo Form

Non-Compliance Photo:

		
NC-1: Snap button operators not using goggles	NC-2: Needle guards displaced	NC-3: Toilet with no handwash soap
	Nil	Nil
NC-5: Dust build up at cutting floors	N/A	Nil

Observation Photos:



Nil	Nil	Nil
N/A	N/A	N/A









Best Practice Photo:


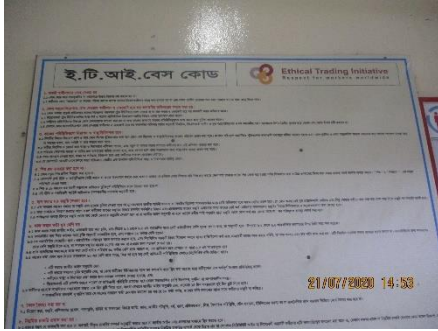










Nil	Nil	Nil
N/A	N/A	N/A

General Site Tour Photo:

		
Facility gate	Facility name	Facility building
		
Rooftop	Security check post	Cutting section
		
Fusing section	Sewing section	Snap button section
		
Iron section	Quality check area	Packing section

		
Finished goods store	Accessories store	Fabric store
		
Assembly point	Evacuation plan	Manual fire alarm call point
		
Exit way	Firefighting equipment	Smoke detector
		
Fire alarm	Exit sign	Emergency light

		
Public address system	Hose pipe water pressure check	Sprinkler system
		
Fire extinguisher	Fire alarm control panel	Canteen
		
Dining area	Attendance recording device	PPE used
		
Distribution board	Notice board	Drinking water station

		
First aid box	ETI base code posted	Toilet area
		
Complain box	Medical room	Childcare room
		
Aisle mark	Fire pump	Boiler
		
Generator	Compressor	Transformer



COVID-19: Temperature check at entrance



COVID-19: Disinfectant spray



COVID-19: Disinfectant tunnel at entrance

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http://www.surveymonkey.com/s.aspx?sm=riPsbE0PQ52ehCo3lnq5lw_3d_3d

[Click here for Supplier \(B\) members:](http://www.surveymonkey.com/s.aspx?sm=d3vYsCe48fre69DRgIY_2brg_3d_3d)

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