



# Sedex Members Ethical Trade Audit Report

**Version 6.1**



Audit Details				
Sedex Company Reference: <i>(only available on Sedex System)</i>	ZC408311428	Sedex Site Reference: <i>(only available on Sedex System)</i>	ZS408311489	
Business name (Company name):	HSKBD			
Site name:	HSK BD			
Site address:	Narayangonj Narayangonj 1410 BD	Country:	BD	
Site contact and job title:	Md.Tuhin / General Manager			
Site phone:	01911313980	Site e-mail:	mhniyaz77@gmail.com	
SMETA Audit Pillars:	<input checked="" type="checkbox"/> Labour Standards	<input checked="" type="checkbox"/> Health and Safety (plus Environment 2-Pillar)	<input type="checkbox"/> Environment 4-pillar	<input type="checkbox"/> Business Ethics
Date of Audit:	2024-01-09			

Audit Company Name:
GSCS International Ltd

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 (March 2019) 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.

Auditor Team			
Lead Auditor:	Romana Rahman	APSCA Number:	21705635
Additional Auditors:	Akil Mahmud		32200701
Date of declaration:	2024-01-09		

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.

Site Representation	
Full Name:	Md.Tuhin
Title:	General Manager
Date of declaration:	2024-01-09
<b>Comments:</b> <i>Any exceptions to this must be recorded here (e.g. different sample size):  Sampled wage records from the past 5 months were provided for review (5 months only since the operation for digital thermometer just started last Sep 2020).  The audit took 2.0 man-days (9AM-6PM per day). Audit time was extended until 8PM due to the extent of documentation; this was agreed upon with the factory representatives</i>	

## Summary of Findings

Issue <small>(please click on the issue title to go direct to the appropriate audit results by clause)</small>	Area of Non-Conformity		Number of issues			Findings
	ETI	Local Law	NC	Obs	GE	
<u>0A - Universal rights covering UNGP</u>			0	0	0	
<u>0B - Management systems and code implementation</u>			0	0	0	
<u>1 - Freely chosen employment</u>			0	0	0	
<u>2 - Freedom of association and right to collective bargaining are respected</u>			0	0	0	
<u>3 - Working conditions are safe and hygienic</u>	3.1 3.1 3.1 3.1 3.1 3.1 3.2	\$1 \$2 \$3 \$4 \$5 \$6 \$7	7	0	0	NC - ZAF600321536 NC - ZAF600321538 NC - ZAF600321539 NC - ZAF600321540 NC - ZAF600321541 NC - ZAF600321542 NC - ZAF600321544
<u>4 - Child labour shall not be used</u>			0	0	0	
<u>5 - Living wages are paid</u>	5.2	\$8	1	0	1	NC - ZAF600321534 GE - ZAF600321543
<u>6 - Working hours are not excessive</u>	6.1	\$9	1	0	0	NC - ZAF600321535
<u>7 - No discrimination is practiced</u>			0	0	0	
<u>8 - Regular employment is provided</u>			0	0	0	
<u>8A - Subcontracting and homeworking</u>			0	0	0	
<u>9 - No harsh or inhumane treatment is allowed</u>			0	0	0	
<u>10A - Entitlement to work and immigration</u>			0	0	0	
<u>10B2 - Environment 2-pillar</u>	10.B2.1	\$10	1	0	0	NC - ZAF600321537
<u>10B4 - Environment 4-pillar</u>			0	0	0	
<u>10C - Business ethics 4-pillar</u>			0	0	0	

## Local Law Issues

Issue	Description
\$1	The Bangladesh Energy Regulatory Commission Act, 2003, Section 27 (1): (1) No person shall engage himself in the following business unless he is empowered by a licence or exempted from having it under this Act or any other Act, such as:- (a) power generation; (b) energy transmission; (c) energy distribution and marketing; (d) energy supply; and (e) energy storage.
\$2	Bangladesh Labor Rules 2015, Rules 58 (9): The duty of electric wiring and keeping the same cannot be given any other persons except the person certified from the government or the company approved by the government.

§3	The Bangladesh Labour Rules 2015, Rule 81 (1 & 8): As per Section 90 (a) the Owners of the institute where 50 or more workers are employed or were employed in a certain period of time in the year shall form Safety Committee. However, Safety Committee must be formed within 6 (six) months of the application of this Code in the present factories/institutes or within 9 (nine) months of the application of this Code in the newly established factories/institutes. In addition, as per Section 183 if the institutes of a business group remains scattered in more than one sub-district/upazila or if the Owners work region-wise, then upazila/sub-district wise Safety Committee must be formed. 8) The Representative for joint bargaining shall nominate Workers' Representative from the workers working in each section, department, floor, storehouse and unit separately. Then, the nominated/elected Representative shall be included in the Safety Committee.
§4	The Bangladesh Labour Rules, 2015, Rule 55 (14): As per Section 62(8), fire drills and emergency evacuation drills have to be arranged at least once in every six month period and the same has to be preserved in respective record books, in accordance with Form- 22. In addition, the concerned Inspector and nearby Fire Service Station have to be informed minimum 15 days before the drills are held.
§5	In accordance with Bangladesh Labor Rules 2015 (Amendment 2022), Rule 87: 1) The Owner of the institute where more than 100 (one hundred) workers are employed shall arrange a canteen for the workers, facilitating adequate space for minimum 10% of total number of workers. However, if the aforesaid canteen can accommodate 20% of the total workers for having meals, the Owner is not obliged to arrange a separate meal room as per Section 93.
§6	In accordance with Bangladesh Labour Law 2006, Section 59 (d). All such latrines and urinals shall be maintained in a clean and sanitary condition at all times with detergent or disinfectants.
§7	'In accordance with The Labor Rules, 2015, Chapter-6, Section-55 (10), If possible, all workers or at least 18% of the workers employed in each department have to be trained on fire-fighting, emergency rescue operation, first aid and the usage of portable fire-repellant instruments. And the security has to be ensured by dividing the trained workers into fire-fighting team, rescue team and first aid team (6% members in each team).
§8	In accordance with Bangladesh Labour Law -2006, Chapter- 10, Wages of each worker will have to pay within the 7th working day following the pay period for which the wages are being payable.
§9	In accordance with Bangladesh Labor Law 2006 Section 102, (1) No adult worker shall be required or allowed to work in an establishment for more than forty-eight hours in any week. (2) Subject to the provisions of section 108, an adult worker may work for more than forty-eight hours in a week: Provided that the total hours of work of an adult worker shall not exceed sixty hours in any week and on the average fifty-six hours per week in any year. Provided further that if in the opinion of the Government, the public interest or the interest of econothic development so requires, it may from time to time, by notification in the official Gazette, extend the operation of any such order for such further periods, not exceeding six moths at any one time; as may be specified in the notification.
§10	Bangladesh ECR 2023 Rule 21 (1): Each Environmental Clearance Certificate shall have to be renewed at least thirty days before expiry of its validity period. Validity period of Environmental Clearance Certificate. – (1) The period of validity of an Environmental Clearance Certificate shall be, in case of Green Category, three years from the date of its issuance and in other cases one year.



## Site Details

Site Details		
Company Name	HSKBD	
Site Name	HSK BD	
GPS location (if available)	GPS Address:	Barpara, Bandar, Narayanganj, Bangladesh.
	Coordinates:	Lattitude: 23.66535402458494, Longitude: 90.56530349756666
Applicable business and other legally required licence numbers and documents, for example, business license number, liability insurance, any other required government inspections	Factory License No. 18113/Narayanganj issued by Bangladesh Government, which is valid till June 30, 2024. Trade License No. 116/2023-24, is issued by Dhamgor Union Parishad, which is valid till June 30th, 2024. Fire License No. AD/Dhaka/22237/12 issued by Bangladesh Fire Service & Civil Defense Authority, which is valid till June 30, 2024.	
Products/Activities at site, for example, garment manufacture, electricals, toys, grower, cutting, sewing, packing etc	The factory specialized in the manufacture of all kinds of label. The main production process is Printed Fabrics Label- Artwork, making film output, ink mixing, printing, cutting, inspection & packing; Weaving Label- Artwork, making Design, Weaving, Bulk Weaving, cutting, inspection & packing; Screen Print Label-Artwork-making film output-ink mixing-printing-cutting-inspection & packing.	

<p>Site description: (Include size, location, and age of site. Also, include structure and number of buildings)</p>	<p>HSK BD Ltd was located at Barpara, Bandar, Narayanganj, Bangladesh. The site was established in year 2003. This initial audit was conducted by two auditors, assessed the factory operation against ETI base code and Local law requirements on a sampling basis in one day. The scope of this audit was based on 2-Pillar SMETA systems. The factory specialized in the manufacture of all kinds of label. The main production process is Printed Fabrics Label- Artwork, making film output, ink mixing, printing, cutting, inspection &amp; packing; Weaving Label- Artwork, making Design, Weaving, Bulk Weaving, cutting, inspection &amp; packing; Screen Print Label-Artwork-making film output-ink mixing-printing-cutting-inspection &amp; packing. The total factory area was 1980 square feet and the production area was 1500 square feet. The factory has no obvious peak season. Production capacity is around 239410600 pieces per month. In view of facilities, the factory has 01 buildings &amp; 05 sheds. Total worker of the factory is 240 (205 male and 35 female) workers and 41 staffs. All workers were local. Weekend of the factory was Friday. The general working hours for the factory is operating in two shifts. Shift-1 runs from 09:00 to 18:00 and shift-2 runs from 21:00 to 06:00 with 60 minutes break in each shifts. Only security has three shifts per eight hours each with roster schedule of break &amp; weekend. Auditors entered the facility at 09:20 on 9th January 2024 and conducted an opening meeting with facility management per the ETI Base Code. Worker representative was present in the meeting and they assured full co-operation to this audit. Based on documents review, employees' interview and site tour, the positive and negative findings are as follows: 1. All employees were recruited directly by the factory. The all employees provided the copy of their personal ID cards, birth certificate, and educational certificate (if any) and characterize certificate to the factory before they started work. Both copy of ID cards, birth certificate, educational certificate, characterize certificate and latest individual photos are kept properly in their personnel files. 2. The emergency evacuation floor plan was posted on the wall of each floor. 3. No child labor or young worker was found during audit. 4. Neither migrant workers nor agency workers were found in the facility. 5. No forced labor, discrimination &amp; harsh or inhumane treatment were found during the audit. 6. Suggestion box was available for employees to complain or feedback their working condition. Also, they could communicate with their supervisors, top management directly and through worker representatives. 7. The factory conducted internal fire drill that included fire extinguishers exercise and evacuation exercise. 8. Total 26 workers- [six (6) individual workers and twenty (20)- four groups of five workers] were interviewed in the confidential room. Employees' attitude was positive and polite during the audit. And employees showed the favorable attitude toward the factory via workers' interview. 9. Drinking water and toilet were available and accessed easily. 10. Per payroll record review and interviews with management all workers were paid by monthly wage system. All the employees' wages were paid by cash.</p>
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Structure and number of buildings	Building Name:		Building 1	
	Floor	Description	Remark	
	Ground floor	Lab section, Accounts section, General store, Katana section	Nil	
	1st floor	PFL design section, Conference room, Office room	Nil	
	Rooftop	Prayer area, Dining area, Canteen area	Nil	
	Building Name:		Shed 1	
	Floor	Description	Remark	
	Ground floor	Bonded warehouse, Screen expose room, Knitting & calendaring section, Screen printing section, PFL printing section, PFL cutting section, CS & PD section, Delivery section, Maintenance section, Office room, Woven section & Woven design section	Nil	
	Building Name:		Shed 2	
	Floor	Description	Remark	
	Ground floor	Power station, Generator room & Compressor room	Nil	
	Building Name:		Shed 3	
	Floor	Description	Remark	
	Ground floor	Woven cutting & quality section	Nil	
	Building Name:		Shed 4	
	Floor	Description	Remark	
	Ground floor	Ultrasonic cutting section	Nil	
	Building Name:		Shed 5	
	Floor	Description	Remark	
	Ground floor	Administration & Security section	Nil	

Visible structural integrity issues (large cracks) observed?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No Please give details: No large or any other structural integrity issues found during the audit.
Does the site have a structural engineer evaluation?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No Please give details: The site has a structural engineering evaluation from the concerned authority.
Site function	<input type="checkbox"/> Agent <input checked="" type="checkbox"/> Factory Processing/Manufacturer <input 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"/> Sub-contractor
Months of peak season	Select a month to Select a month
Process overview	Production Capacity: The production capacity is around 239410600 pieces per month. Main Product: The factory specialized in manufacturing of all kinds of labels. The main production process: The main production process is Printed Fabrics Label- Artwork, making film output, ink mixing, printing, cutting, inspection & packing; Weaving Label- Artwork, making Design, Weaving, Bulk Weaving, cutting, inspection & packing; Screen Print Label-Artwork-making film output-ink mixing-printing-cutting-inspection & packing. Main Equipment: woven machine, air jet machine, woven cutting machine, flexo printing machine, rotary cutting machine, woven curing machine, flat screen printing machine, screen exposure machine, dryer machine, Katana film making machine, knitting machine, calendaring machine, creel machine for beam making machine, block making machine
What form of worker representation is there on site?	<input type="checkbox"/> Union <input checked="" type="checkbox"/> Worker Committee <input type="checkbox"/> Other <input type="checkbox"/> None
Please give details:	Facility have formed workers participation committee by election process.
Is there any night production work at the site?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
Are there any on site provided worker accommodation buildings	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No Please give details:
Are there any off site provided worker accommodation buildings	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No Please give details:
Were all site provided accommodation buildings included in this audit	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No Please give details: Not applicable as no accommodation was provided to the workers.



Audit Parameters			
Time in and time out	Day 1		
	In	09:20	
	Out	17:00	
Audit type:	FULL_INITIAL		
Was the audit announced?	ANNOUNCED		
Was the Sedex SAQ available for review?	Yes		
Any conflicting information SAQ/Pre-Audit Info to Audit findings?	No		
Who signed and agreed CAPR	Md.Tuhin / General Manager		
Is further information available	No		

Audit attendance	Management	Worker Representatives	
		Worker Committee representatives	Union representatives
A: Present at the opening meeting?	Yes	Yes	No
B: Present at the audit?	Yes	Yes	No
C: Present at the closing meeting?	Yes	Yes	No
<i>Reason for absence at the opening meeting</i>	No union present in the facility. Facility have formed a workers participation committee. As there is a participation committee present so union is not mandatory for them as per local law.		
<i>Reason for absence during the audit</i>	No union present in the facility. Facility have formed a workers participation committee. As there is a participation committee present so union is not mandatory for them as per local law.		
<i>Reason for absence at the closing meeting</i>	No union present in the facility. Facility have formed a workers participation committee. As there is a participation committee present so union is not mandatory for them as per 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*			Home workers	Total
	Permanent	Temporary	Agency	Permanent	Temporary	Agency		
Worker numbers – male	205	0	0	0	0	0	0	205
Worker numbers – female	35	0	0	0	0	0	0	35
Total	240	0	0	0	0	0	0	240
Number of Workers interviewed – male	16	0	0	0	0	0	0	16
Number of Workers interviewed – female	10	0	0	0	0	0	0	10
Total – interviewed sample size	26	0	0	0	0	0	0	26



Nationalities Structure		
Nationality of Management	Bangladeshi	
Please list the nationalities of all workers, with the three most common nationalities listed first.	Nationality 1: Bangladeshi	approx %: 100%
Was this list completed during peak season?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No Please give details: Not applicable as there was no obvious peak season.	
Worker remuneration	Workers on piece rate:	0%
	Paid hourly:	0%
	Salaried:	100%
Payment cycle	Paid daily:	0%
	Paid weekly:	0%
	Paid monthly:	100%
	Other:	0%
	Details for other:	Not applicable

Worker Interview Summary	
Were workers aware of the audit?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
Were workers aware of the code?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
Number of group interviews:	20 (05 groups of 04 workers)
Number of individual interviews:	Male: 4 Female: 2
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.	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No Please give details:
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
In general, what was the attitude of the workers towards their workplace?	<input checked="" type="checkbox"/> Favorable <input type="checkbox"/> Non-favourable <input type="checkbox"/> Indifferent
What was the most common worker complaint?	No complaint was raised by any sample workers against facility because they were happy with their working environment.
What did the workers like the most about working at this site?	Facility workplace condition is comfortable, timely payment of wages and benefit. Good relationship with facility management.
Any additional comment(s) regarding interviews:	Nothing to report
Attitude of workers to hours worked:	It was noted through worker interview that the total working hour is within standard and overtime is fully voluntary.
Is there any worker survey information available?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No Please give details:

Attitude of workers:

The factory allowed the auditors from GSCS International Ltd. to conduct confidential worker interviews. The workers were chosen freely without any influence by the factory management: 26 workers (04 groups of 05 workers and 6 individuals) were randomly selected by auditor from different sections for interview. The workers showed a cooperative attitude during the interview process. Based on worker's interview, they expressed their positive attitude to the management and payment system. All workers were satisfied with working conditions and benefits. The effective evidences were collected by workers interview; the following information was summarized: 1. Workers said that they were not required to lodge "deposits" or their identity cards at the recruitment and were free to leave or resign after reasonable notice. 2. All interviewees reflected that workers could complain to management or worker committee representatives directly or by writing letters through suggestion box and all interviewed workers were aware of worker representatives. 3. All workers stated that factory provided induction training for new workers and regular safety training for all workers. Workers said they had participated in fire drills at the production area every month. 4. All interviewees confirmed that the factory had checked their ID cards or birth certificate to verify their ages. They never seen or heard any child labour less than 18 years old employed in this factory. 5. All interviewed workers said that they were paid by monthly wage system. Wages were paid once a month within first 07 working days of the following pay period. All the employees' wages were paid by cash. No delay of wage was identified through worker interview and management interview. 6. All workers were local. The general working hours for the factory is operating in two shifts. Shift-1 runs from 09:00 to 18:00 and shift-2 runs from 21:00 to 06:00 with 60 minutes break in each shifts. Only security has three shifts per eight hours each with roster schedule of break & weekend. 7. The interviewed workers said that they could obtain the job based on their working experiences and abilities. The female workers or male workers' wages were calculated at the same for the same work based on their performance.

Attitude of worker's committee/union reps:

During Interview, worker committee representative expressed that the facility management was nice to them, they could freely express their opinions, will, advice and suggestion without any fear or concern and they could make grievance if necessary. No negative information was observed during the audit.

Attitude of managers:

The management was found to be well versed with the requirements of social audit, management was very cooperative and transparent during the course of the audit. They were receptive towards findings. The management approach was found to be positive.

**0A - Universal Rights covering UNGP**  
**[Summary of Findings]**

**0A: Compliance Requirements**

0.A.1 Businesses should have a policy, endorsed at the highest level, covering human rights impacts and issues, and ensure it is communicated to all appropriate parties, including its own suppliers.  
0.A.2 Businesses should have a designated person responsible for implementing standards concerning Human rights  
0.A.3 Businesses shall identify their stakeholders and salient issues.  
0.A.4 Businesses shall measure their direct, indirect, and potential impacts on stakeholders (rights holders) human rights.  
0.A.5 Where businesses have an adverse impact on human rights within any of their stakeholders, they shall address these issues and enable effective remediation.  
0.A.6 Businesses shall have a transparent system in place for confidentially reporting, and dealing with human rights impacts without fear of reprisals towards the reporter. Note for auditors and readers. This is not a full Human Rights Assessment, but instead a check on the business's implementation of processes to meet their Universal rights covering UNGP responsibilities.

**Current Systems and Evidence Examined**

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

**Current Systems:**

- The facility had a policy, endorsed at the highest level, covering human rights impacts and issues, and it is communicated to all appropriate parties, including its own suppliers.
- The responsible person for implementation and monitoring is Md. Munnu Mia (Manager- HR, Admin & 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.
- It is communicated to all appropriate parties, including suppliers through the responsible person.

**Evidence examined:**

1. Documentation files were reviewed. It stipulates complying with Human Rights, written policies and procedure that being provided individually to employees.
2. Letter of Authorization on implementing Human Rights
3. Impact for Human Rights assessment report
4. Management interview and employee interview

**Any other comments:**

None

Policy statement that expresses commitment to respect human rights?

☒ Yes ☐ No

Please give details:

The facility had posted the policy about respecting Human Rights in the policy board stated that child labour shall not be used, Forced Labour shall not be used, no discrimination is practised, no harsh or inhumane treatment is allowed, disciplinary action taken, working hours etc.

Are the policies included in workers' manuals?

☒ Yes ☐ No

Please give details:

The policies included in workers' manuals.

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: Md. Munnu Mia (Manager- HR, Admin & Compliance)
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 Please give details: The facility had established a transparent system in place for confidentially reporting.
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
Does the business demonstrate effective data privacy procedures for workers' information, which is implemented?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No Please give details: The facility established an effective data privacy procedure for workers' information to protect the workers' privacy information.
<b>Measuring Workplace Impact</b>	
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))	Last year                      3.0% This year                        0.0%
Current % quarterly (90 days) turnover(Number of workers leaving from the first of the 90 day period through to the last day of the 90 day period / [(number of employees on the 1st day of 90 day period + number of employees on the last day of the 90 day period) / 2])	3.0%
Annual % absenteeism(Number of days lost through job absence in the year / [(number of employees on 1st day of the year + number employees on the last day of the year) / 2] * number available workdays in the year)	Last year                      2.0% This year                        0.0%
Quarterly (90 days) % absenteeism(Number of days lost through job absence in the period / [(Number of employees on 1st of the period + Number of employees on the last day of the period / 2] * Number of available workdays in the month)	2.0%
Are accidents recorded?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No Please give details: Factory maintains regular accident register.

Annual Number of work related accidents and injuries per 100 workers((Number of work related accidents and injuries * 100) / Number of total workers)	Last year	0.0%
	This year	0.0%
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)	0.0%	
Lost day work cases per 100 workers([(Number of lost days due to work accidents and work related injuries * 100) / Number of total workers])	Last year	0.0%
	This year	0.0%
% of workers that work on average more than 48 standard hours / week in the last 6 / 12 months	6 month	0.0%
	12 month	0.0%
% of workers that work on average more than 60 total hours / week in the last 6 / 12 months	6 month	0.0%
	12 month	0.0%



**0B - Management Systems and code Implementation**  
**[Summary of Findings]**

**0B: Compliance Requirements**

- 0.B.1 Suppliers are expected to implement and maintain systems for delivering compliance to this Code.  
0.B.2 Suppliers shall appoint a senior member of management who shall be responsible for compliance with the Code.  
0.B.3 Suppliers are expected to communicate this Code to all employees.  
0.B.4 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.5 Suppliers should communicate this code to their own suppliers and, where reasonably practicable, extend the principles of this Ethical Code through their supply chain.

**Current Systems and Evidence Examined**

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

**Current Systems:**

- Responsibility for meeting the legal and client code requirements is taken by Md. Munnu Mia (Manager-HR, Admin & Compliance).
- The facility communicated this code of conduct (COC) to the suppliers and employees.
- The facility management is conducting 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.
- The facility conducted training to the employees on ETI base code.
- Implementation of any necessary changes is then given to the individual department heads after agreement with the facility manager.

**Evidence examined:**

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

**Any other comments:**

None

**Management Systems**

In the last 12 months, has the site been subject to any fines/prosecutions for non-compliance to any regulations?

☐ Yes ☒ No

Please give details:

In the last 12 months the site has not been subjected to any fines or prosecutions.

Do policies and/or procedures exist that reduce the risk of forced labour, child labour, discrimination, harassment & abuse?

☒ Yes ☐ No

Please give details:

Facility has policies and procedures for reduce the risk of forced labor, child labor, discrimination, harassment & abuse

If Yes, is there evidence (an indication) of effective implementation? Please give details.	Through documents review and workers interview, the written policies (no forced labor, no child labor, non-discrimination, working hours, health & safety, harassment and abuse) were communicated to the workers as much as factory mid-level management & workers were informed by training via notification board and training.
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  Please give details: All the managers and workers in the facility have received orientation training where standards for forced labor, child labor discrimination, harassment & abuse are covered.
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  Please give details: Training records were found including picture and attendance sheet.
Does the site have any internationally recognised system certifications e.g. ISO 9000, 14000, OHSAS 18000, SA8000 (or other social audits)?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No  Please give details: The site doesn't have any internationally recognized system certification.
Is there a Human Resources manager/department?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No Facility has a dedicated Human Resources department consisting 2 members and is headed by Md. Munnu Mia, Manager- HR, Admin & Compliance.
Is there a senior person /manager responsible for implementation of the code?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No  Please give details: Md. Munnu Mia, Manager- HR, Admin & Compliance.
Is there a policy to ensure all worker information is confidential?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No  Please give details: The factory had adopted a policy decision where by all employees of the company will be required to maintain confidentiality with regard to the affairs of the company & it's greater.
Is there an effective procedure to ensure confidential information is kept confidential?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No  Please give details: The facility has an effective key control procedure to keep the information confidential.
Are risk assessments conducted to evaluate policy and procedure effectiveness?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No  Please give details: Facility conducted risk assessment evaluates effectiveness of policy and procedure.
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  Please give details: The facility has an internal system to raise the issue found the risk assessment and to implement the way of reduction it.

Does the facility have a policy/code which require labour standards of its own suppliers?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No  Please give details:  The facility established a policy/code which requires labor standards of its own suppliers.
<b>Land Rights</b>	
Does the site have all required land rights licenses and permissions (see SMETA Measurement Criteria)?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No  Please give details:  The facility has building approval from concern authority.
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  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.
Does the site have a written policy and procedures specific to land rights?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No  Please give details:  Not applicable
Is there evidence that facility/site compensated the owner/lessor for the land prior to the facility being built or expanded?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No  Please give details:  Facility land is rented and the shed buildings are owned by the facility.
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  Please give details:  Facility has already acquired a alternative land to avoid or minimize adverse impacts.
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  Please give details:  It was noted through land ownership documents review and management interview that the facility did not go through illegal appropriation of land for facility building.

## 1 - Freely chosen Employment [Summary of Findings]

### 1: Compliance Requirements

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 factory has a policy which prohibits forced labor, and this was also available for review.
- Age verification documents (National ID card copy, educational certificate, nationality certificate) were available in employee personal files.
- Service book is provided to every employee.
- Overtime is voluntary.
- The terms and conditions of employment state that the workers 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 labor.
- The above was confirmed through management and employees' interview.

### Evidence examined:

1. Personnel files
2. Factory policy, rules and regulations, and training records etc.
3. Resignation records
4. Factory rules
5. Employee handbook
6. Management and workers interview

### Any other comments:

None

Is there any evidence of retention of original documents, e.g. passports/ID' (If yes, please give details and category of workers affected)	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No Please give details:
Is there any evidence of a loan scheme in operation (If yes, please give details and category of workers affected)	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No Please give details:
Is there any evidence of retention of wages / deposits (If yes, please give details and category of workers affected)	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No Please give details:
Are there any restrictions on workers' freedom to terminate employment?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No Please give details:  Facility has a policy mentioning workers are free to terminate employment from the facility with '02 months' notice period.

<p>If any part of the business is UK based or registered there &amp; has a turnover over £36m, is there a published a 'modern day slavery statement?</p>	<p><input type="checkbox"/> Yes <input type="checkbox"/> No <input checked="" type="checkbox"/> Not Applicable</p> <p>Please give details:</p> <p>Not applicable as the yearly turnover of the factory was less than £36m.</p>
<p>Is there evidence of any restrictions on workers' freedoms to leave the site at the end of the work day?</p>	<p><input type="checkbox"/> Yes <input checked="" type="checkbox"/> No</p> <p>Please give details:</p> <p>No evidence of any restrictions on workers' freedoms to leave the site at the end of the workday.</p>
<p>Does the site understand the risks of forced / trafficked / bonded labour in its supply chain</p>	<p><input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> Not Applicable</p> <p>Please give details:</p> <p>The facility established a policy about forbidden of forced / trafficked / bonded labour and implemented strict management system to control the risk of forced / trafficked / bonded labor in its supply chain.</p>
<p>Is the site taking any steps taking to reduce the risk of forced / trafficked labour?</p>	<p><input checked="" type="checkbox"/> Yes <input type="checkbox"/> No</p> <p>Please give details:</p> <p>Factory had provided training and awareness session to all employees to reduce the risk of forced / trafficked labor.</p>

## 2 - Freedom of Association and Right to Collective Bargaining are Respected

### [Summary of Findings]

#### 2: Compliance Requirements

- 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

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#### 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.
- Participation Committee was formed by election.
- Participation Committee meeting was held on 24.12.2023.
- Meeting minutes are posted in notice board and recorded in a register.
- There are 06 members from worker side and 04 from management side with 10 members.
- PC members are treated equally with other workers.
- PC members can carry out their duties within working hours without affecting their pay.

#### Evidence examined:

1. Freedom of association policy review
2. Facility management interviews
3. Worker interview
4. Complain box register (Suggestions from the complaint box and actions taken)
5. Participation Committee formation record review and its meeting records review, Grievance handling policy & procedure

#### Any other comments:

None

What form of worker representation/union is there on site? (Please add the name of the union or committee in the textbox)	<input type="checkbox"/> Union <input type="checkbox"/> Other	<input checked="" type="checkbox"/> Worker Committee <input type="checkbox"/> None
Other details:	Facility have formed a worker participation committee by election on 15.02.2022	
Is it a legal requirement to have a union?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	
Is it a legal requirement to have a worker's committee?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	
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 Please give details: The factory management has provided complain box in the toilet area through which workers can raise their suggestion / complaints. Workers can also approach the management directly for any grievances which confirmed the interviewed workers.	



Is there evidence of free elections?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
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 Please give details: The PC members are able to perform their responsibility without any management intervention.
Name of union and union representative, if applicable:	Not applicable as there was no union present in the facility.
Is there evidence of free elections?	<input type="checkbox"/> Yes <input type="checkbox"/> No <input checked="" type="checkbox"/> Not Applicable
If there is no union, is there a parallel means of consultation with workers e.g. worker committees?	Facility have formed a worker's participation committee by election.
Is there evidence of free elections?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> Not Applicable
Are all workers aware of who their representatives are?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No Please give details: Worker's are aware of the worker representative.
Were worker representatives freely elected?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
Date of last election:	2022-02-15
Do workers know what topics can be raised with their representatives?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
Were worker representatives/union representatives interviewed?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
If Yes, please state how many:	1.0
Please describe any evidence that union/worker's committee is effective? Specify date of last meeting; topics covered; how minutes were communicated etc.	06 worker representatives were elected by the workers among the workers to represent each section of the facility. The last communication meeting was held on 24 December, 2023 with topic of discussion about Bangladesh local law, continuity of safety committee. Meeting minutes was shared with all workers through posting the meeting minutes on communication board.
Are any workers covered by Collective Bargaining Agreement (CBA)?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No

### 3 - Working Conditions are Safe and Hygienic [Summary of Findings]

#### 3: Compliance Requirements

- 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

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#### Current Systems:

##### General Health and Safety management:

- Md. Munnu Mia (Manager- HR, Admin & Compliance) looks after Health & Safety issues for the site.
- Potable water was freely available in all areas.
- Sufficient clean toilets (6 for male and 4 for female) segregated by gender were available at all times for workers.
- Ventilation, temperature, and lighting were adequate for the production processes.

##### 2. Fire Safety:

- Sufficient assembly area was found in front of the facility building.
- Fire-fighting equipment was provided and checks were up-to-date.
- The facility management posted evacuation plans on the production floor in the local language.
- Public Address System was available in all areas.

##### 4. Chemical safety

- Facility uses chemicals for its production process and provided training and Personal Protection Equipment.

##### 5. Building Safety

- Factory is operating in 1 building and 5 sheds.

##### 6. Electrical, Machine & fire safety

- All electrical equipment was maintained in good condition such as sockets, plugs, switches, and main fuse boards.
- 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.

##### 7. Medical services

- There were 6 first aid boxes with sufficient kits in the full facility.

##### 8. Facility provided dining hall for taking meals.

#### Evidence examined:


1. License review (Fire license, Trade license, Factory license)
2. Building approval plan and layout approval plan
3. Group insurance
4. Drinking water test report
5. Injury record and analysis report
6. Machine and electric maintenance record
7. Risk assessment report
8. Training record (Fire training, First aid training, PPE training and Health and safety training)
9. Fire drill record
10. Health and safety committee register
11. Fire equipment and electric equipment checking record.

#### Any other comments:


None

Does the facility have general and occupational Health & Safety policies and procedures that are fit for purpose and are these communicated to workers?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No Please give details: Factory had adopted health & safety policy which covers PPE(s), machine safety device, fire safety (fire extinguisher, freighting equipment, hose pipe etc.), emergency pathway, evacuation drill, housekeeping, first aid, electrical safety etc.
Are the policies included in workers' manuals?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No Please give details: The facility provides workers manual to the workers where all the policies and applicable government law are included.
Are there any structural additions without required permits/inspections (e.g. floors added)?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No Please give details: There were no structural additions without prior permits/ inspections.
Are visitors to the site informed on H&S and provided with personal protective equipment?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No Please give details: The site kept dedicated PPE for visitors. While any visitor visits in the factory generally, they brief the visitor about H&S policy and provide PPE(s) as and when required.
Is a medical room or medical facility provided for workers?(This section is to list evidence to support system description (Documents examined & relevant comments. Include renewal/expiry date where appropriate))	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No Please give details: There is a medical room provided for the facility though considering their manpower it is not applicable for them as per local law.
Is there a doctor or nurse on site or there is easy access to first aider/ trained medical aid?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No Please give details: There are first aiders to provide the first aid support.
Where the facility provides worker transport – is it fit for purpose, safe, maintained and operated by competent persons e.g. buses and other vehicles?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No Please give details: Not Applicable as factory does not provide transport facility to the workers.
Is secure personal storage space provided for workers in their living space and is fit for purpose?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No Please give details: Not applicable as factory did not provide living space to the workers.
Are H&S Risk assessments are conducted (including evaluating the arrangements for workers doing overtime e.g. driving after a long shift) and are there controls to reduce identified risk?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No Please give details: Workers risk assessment is done on a quarterly basis according to the training schedule.

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  Please give details:  The facility meets all the legal obligations on environmental requirement including required permits for use and disposal natural resources like gas etc.
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  Please give details:  Factory did not use banned chemicals and follows the entire customer requirement on environmental standard.

Non-Compliance		Evidence																															
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Clause	3 - Working Conditions are Safe and Hygienic																														
Issue Title	220 - Failure to comply with legal requirements for electrical safety, e.g. inspections																														
Subcategory	Electrical risk																														
New or carried over?	<input checked="" type="checkbox"/> New <input type="checkbox"/> Carried Over																														
Root cause	<input type="checkbox"/> Training <input checked="" type="checkbox"/> System <input type="checkbox"/> Costs <input type="checkbox"/> Lack of workers <input type="checkbox"/> Other																														
Root cause - Other																															
Local law issue	Bangladesh Labor Rules 2015, Rules 58 (9): The duty of electric wiring and keeping the same cannot be given any other persons except the person certified from the government or the company approved by the government.																														
ETI code	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.																														
Explanation to the non compliance	It was noted through document review, management and worker interview that the facility has 2 electricians but the electrician permit has been expired on 29.11.2023 and 08.04.2018 respectively.																														
Follow up method	<input type="checkbox"/> Follow up audit <input checked="" type="checkbox"/> Desktop audit																														
Timescale	<input type="checkbox"/> Immediate <input type="checkbox"/> 30 days <input type="checkbox"/> 60 days <input checked="" type="checkbox"/> 90 days <input type="checkbox"/> 120 days <input type="checkbox"/> 180 days <input type="checkbox"/> 365 days <input type="checkbox"/> Other																														
Actions	It is recommended that the facility shall obtain the updated electrician permit for the 2 electricians.																														
<div> <a href="#">Electrician permit expired.pdf</a></div>																															





Non-Compliance		Evidence																											
<a href="#">[Back to findings summary]</a>																													
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Non-Compliance		Evidence																															
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#### 4 - Child Labour Shall Not Be Used [Summary of Findings]

##### 4: Compliance Requirements

4.1 There shall be no new recruitment of child labour.

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

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

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

#### Current Systems and Evidence Examined

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

##### Current Systems:

- The facility has established a practice that they will never employ and use any child labor.
- The facility verifies all workers' original national ID card, birth certificate etc. at the time of recruitment and keeps the photocopies of workers' ID cards, birth certificate in their personal files.
- Factory verifies the workers age through registered doctor.
- 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.
- It was evident during the documents review; the age of youngest worker is above 18 years old.

##### Evidence examined:

1. The procedure of <Recruiting regulation> was available for review, the personnel files with ID or birth certificate copy were available for review, the contracts with all the employees were available for audit, and the roster had established by the factory.
2. Document review
3. Management interview
4. Worker interview
5. On-site observation during floor visit

##### Any other comments:

None

Legal age of employment:	14
Age of youngest worker found:	18
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
Percentage of under 18's at this site (of total workers)	0.0%
Are workers under 18 subject to hazardous work assignments?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No Please give details: Not applicable as there was no worker under 18 was found.

## 5 - Living Wages are Paid [Summary of Findings]

### 5: Compliance Requirements

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:

- Based on the Gazette Notification, the actual lowest minimum wage in the facility is BDT 8,700 per month.
- Time keeping is manual time card system.
- 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.
- Each employee was given a pay slip and signed for their wages.
- All employees were paid within 10 working days of the following month.
- Employees are aware of their minimum wage.
- Wages have been recorded according to documents checked.
- According to the documents which were provided by the HR & Accounts Departments and during the workers interview, it was noted that factory provides all kinds of leave. Maternity leave and earn leave benefits are provided to the employees as per law. Moreover, employees were allowed to take 14 days' sick leave; 10 days' casual leave according to law and 11 days' festival leave.

### Evidence examined:

1. Document review
2. Worker interview
3. Management interview
4. Local and national laws
5. Wages and benefits policy
6. Local legal minimum wage documents
7. Payroll records from December 2022 to Audit Day.
8. Leave records
9. Social group insurance and payment receipts from the local labor department
10. Labor contracts for all employees.
11. Resignation records
12. Pay slips of all workers interviewed
13. Overtime records

### Any other comments:

None

## Summary Information

Criteria	Local Law	Actual at the Site	Is this part of a Collective Bargaining Agreement?

Standard/Contracted work hours: (Maximum legal and actual required working hours excluding overtime, please state if possible per day, week, and month)	Legal Maximum Per Day: 8.0 Per Week: 48.0 Per Month: null	Actual Per Day: 8.0 Per Week: 48.0 Per Month: 208.0	NO
Overtime hours: (Maximum legal and actual overtime hours, please state if possible per day, week, and month)	Legal Maximum Per Day: 2.0 Per Week: 12.0 Per Month: null	Actual Per Day: 3.0 Per Week: 18.0 Per Month: 78.0	NO
Wage for standard/contracted hours: (Minimum legal and actual minimum wage at site, please state if possible per hr, day, week, and month)	Legal Maximum Per Day: null Per Week: null Per Month: 8000.0	Actual Per Day: 0.0 Per Week: 0.0 Per Month: 8700.0	NO
Overtime wage: (Minimum legal and actual minimum overtime wage at site, please state if possible per hr, day, week, and month)	Legal Maximum Per Day: null Per Week: null Per Month: null	Actual Per Day: 0.0 Per Week: 0.0 Per Month: 0.0	NO
<b>Wages Analysis:</b>			
Were accurate records shown at the first request?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No		
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)	26 samples were checked for the month November 2023 (Current month), August 2023 (Random month), January 2023 (Random month)		
Are there different legal minimum wage grades? If Yes, please specify all.	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No Grade-1: 18257 BDT/Month Grade-2: 15416 BDT/Month Grade-3: 9845 BDT/Month Grade-4: 9347 BDT/Month Grade-5: 8875 BDT/Month Grade-6: 8420 BDT/Month Grade-7: 8000 BDT/Month Trainee / Apprentice: 5975 BDT/Month		
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"/> Not Applicable Please give details:		
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 type="checkbox"/> Meet <input checked="" type="checkbox"/> Above		
Lowest actual wages found: Note: full time employees and please state hour / week / month etc.	8700		
Please indicate the breakdown of workforce per earnings	0.0% of workforce earning under minimum wage 0.0% of workforce earning minimum wage 100.0% of workforce earning above minimum wage		
Bonus Scheme found: Please specify details:	Bonus Scheme found: Two festival bonuses, each festival bonus is equivalent to one month's basic wages and attendance bonus as per company policy. Note: type of employee (e.g. full time, temp, etc.) and please state which units e.g. /hour /week /month etc.		
What deductions are required by law e.g. social insurance? Please state all types:	Absent Deduction		
Have these deductions been made?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No		

Please list all deductions that have been made.	Unauthorized absent deduction only.
Please list all deductions that have not been made.	Group insurance.
Were appropriate records available to verify hours of work and wages?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
Were any inconsistencies found? (if yes describe nature)	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
Do records reflect all time worked? (For instance, are workers asked to attend meetings before or after work but not paid for their time)	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No Please give details: Factory had provided accurate and complete payroll & attendance records to the auditors for review where all working hours were recorded.
Is there a defined living wage: This is not normally minimum legal wage. If answered yes, please state amount and source of info: Please see SMETA Best Practice Guidance and Measurement Criteria.	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No Please give details:
If yes, what was the calculation method used.	<input type="checkbox"/> ISEAL/Anker Benchmarks <input type="checkbox"/> Asia Floor Wage <input type="checkbox"/> Figures provided by Unions <input type="checkbox"/> Living Wage Foundation UK <input type="checkbox"/> Fair Wear Wage Ladder <input type="checkbox"/> Fairtrade Foundation <input type="checkbox"/> Other – please give details:
Are there periodic reviews of wages? If Yes give details (include whether there is consideration to basic needs of workers plus discretionary income).	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No Please give details: At least 5% of basic wages shall be increased yearly.
Are workers paid in a timely manner in line with local law?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
Is there evidence that equal rates are being paid for equal work:	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No Please give details: Based on employees' interviews, copy of appointment letters issued to employees and wage records, it was noted that equal rates are paid for equal work.
How are workers paid:	<input checked="" type="checkbox"/> Cash <input type="checkbox"/> Cheque <input type="checkbox"/> Bank Transfer <input type="checkbox"/> Other

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## 6 - Working Hours are not Excessive [Summary of Findings]

### 6: Compliance Requirements

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:

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.

•Timecards are completed by manual system.

•All overtime is compensated at a premium rate for all employees.

•The time frame of the records reviewed are as follows:

26 samples from the month of November 2023 (Current month)

26 samples from the month of August 2023 (Random month)

26 samples from the month of January 2023 (Random month)

According to time records and worker interview basic working hours were 8 hours per day and a max 48 hours per week. Maximum OT 3 hours per day and 18 hours per week were found in the three sample months. The

employee works for 06 days in a week. The employee works for 06 days in a week (Saturday to Thursday). Weekend of the factory was Friday.

### Evidence examined:

1. Employee interview

2. Management interview

3. Local and national laws

4. Factory policy on working hours.

5. Attendance and wages records from December 2022 to the audit day.

6. Electronic attendance System

7. Sample pay slips with recorded hours all workers interviewed

8. Quality and production records to cross check hours

9. Workers contracts

### Any other comments:

None

## Working hours' analysis


### Systems & Processes

What timekeeping systems are used?

Manual time card

Is sample size same as in wages section?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No Please give details:		
Are standard/contracted working hours defined in all contracts/employment agreements? (If no, please give details including % and which type of workers do NOT have standard hours defined in contracts/employment agreements.)	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No		
Are there any other types of contracts/employment agreements used?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No		
Do any standard/contracted working hours defined in contracts/employment agreements exceed 48 hours per week? (If yes, please detail hours, %, types of workers affected and frequency.)	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No		
Are workers provided with at least 1 day off in every 7-day-period, or 2 in 14-day-period?	<input checked="" type="checkbox"/> 1 in 7 days	<input type="checkbox"/> 2 in 14 days	<input type="checkbox"/> No (please explain)
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		
<b>Standard/Contracted Hours worked</b>			
Were standard working hours over 48 hours per week found? (If yes, % of workers & frequency)	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No % of workers: null% Frequency:		
Any local waivers/local law or permissions which allow averaging/annualised hours for this site? (If yes, please give details.)	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No		
<b>Overtime Hours worked</b>			
Actual overtime hours worked in sample (State per day/week/month)	November 2023 (Current month): 3 hours per day, 18 hours per week, 78 hours per month August 2023 (Random month): 3 hours per day, 18 hours per week, 78 hours per month January 2023 (Random month): 3 hours per day, 18 hours per week, 72 hours per month		
Combined hours (standard or contracted + overtime hours = total) over 60 found?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No Please give details: Combined hours are found 66 hours per week.		
Approximate percentage of total workers on highest overtime hours:	2.0%		

Is overtime voluntary? (Please detail evidence e.g. Wording of contract / employment agreement / handbook / worker interviews / refusal arrangements)	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> Conflicting Information  Please give details:  Based on the factory policy, rules and regulations, and training records, employee handbook and workers and management interview, it was noted that the overtime was voluntary in this factory.
<b>Overtime premium</b>	
Are the correct legal overtime premiums paid? (Please give details of normal day overtime premium as a % of standard wages)	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A – there is no legal requirement to OT premium  Please give details:  100% workers who works overtime receive 200% of their hourly basic wages as overtime rate.
Is overtime paid at a premium?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No 100% workers who works overtime receive 200% of their hourly basic wages as overtime rate.
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 checked="" type="checkbox"/> No <input type="checkbox"/> Consolidated pay <input type="checkbox"/> Collective Bargaining agreements  <input type="checkbox"/> Other
Please give details	100% workers who works overtime receive 200% of their hourly basic wages as overtime rate.
If more than 60 total hours per week and this is legally allowed, are there other considerations? Please complete the boxes where relevant. (Please explain any checked boxes above e.g. detail of consolidated pay / CBA or Other)	<input checked="" type="checkbox"/> Overtime is voluntary <input type="checkbox"/> Onsite Collective bargaining allows 60+ hours/week is voluntary <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)
Please explain any checked boxes above e.g. detail of consolidated pay / CBA or other	Combined hours are found 66 hours per week. But the overtime is voluntary.
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
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

Non-Compliance		Evidence																												
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	<input type="checkbox"/> 90 days <input type="checkbox"/> 120 days <input type="checkbox"/> 180 days <input type="checkbox"/> 365 days <input type="checkbox"/> Other	
Actions	It is recommended that facility should maintain legal working hour limit.	

## 7 - No Discrimination is Practiced [Summary of Findings]

### 7: Compliance Requirements

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:

1. The hiring and termination procedure, leave application records and employee handbook.
2. Payroll records
3. Attendance records
4. Termination records
5. Training records
6. Employment contracts were provided for review and they showed that male and female employees were on the same pay grade.
7. Management interview and employee interview

#### Any other comments:

None

Gender breakdown of Management + Supervisors (Include as one combined group)	Male: 99.0%		Female: 1.0%
Number of women who are in skilled or technical roles (e.g. where specific qualifications are needed i.e. machine engineer / laboratory analyst)	0		
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"/> Promotion	<input type="checkbox"/> Compensation  <input type="checkbox"/> Termination or retirement	<input type="checkbox"/> Access to training  <input checked="" type="checkbox"/> No evidence of discrimination found
Please give details	As per documents review, management & workers interview, there was no evidence of discrimination based on race, caste, national origin, religion, age, disability, gender, marital status, sexual orientation, union membership or political affiliation.		
Professional Development			

What type of training and development are available for workers?	All workers are given H&S training, different types of machine operation and quality assurance training.
Are HR decisions e.g. promotion, training, compensation based on objective, transparent criteria? (If no, please provide details)	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No

## 8 - Regular Employment Is Provided [Summary of Findings]

### 8: Compliance Requirements

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 labor agency was used to hire workers. No temporary worker, apprenticeship schemes or home worker was identified by the auditors.
- All workers getting signed labor contract and ID card during their recruitment.
- Factory maintains service books for all workers.
- Factory has policy to provide all kinds of compensation and benefits to the employees.
- If any employees want to leave the job, he or she may leave giving 60 days' notice prior to leave as per law.
- No temporary worker, apprenticeship schemes or home worker was identified by the auditor.

### Evidence examined:

1. Factory policy, rules and regulations, employees' personnel files, employees' ID card, pay slips etc.
2. Management interview and employee interview
3. The hiring and termination records.
4. Worker interview.

### Any other comments:

None

## Responsible Recruitment

### All Workers

Were all workers presented with terms of employment at the time of recruitment, did they understand them and are they same as current conditions?

- ☒ Terms & Conditions presented
- ☒ Same as actual conditions

☒ Understood by workers



Did workers pay any fees, taxes, deposits or bonds for the purpose of recruitment/placement? (If yes, please describe details and specific category(ies) of workers affected)	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
<b>Migrant Workers</b>	
Type of work undertaken by migrant workers:	Not applicable as there were no migrant worker.
Please give details about recruitment agencies for migrant workers:	Number of (in country) recruitment agencies used: 0 Number of (outside of local country) recruitment agencies used: 0
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 checked="" type="checkbox"/> No Please give details: Not applicable as there were no migrant worker.
Is there any observation on this finding?	Not applicable as there were no migrant worker.
Are any migrant workers in skilled, technical or management roles? (This should include all migrant workers including permanent workers, temporary and/or seasonal workers)	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
<b>Non-employee workers</b>	
<b>Recruitment Fees</b>	
Are there any fees?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
<b>Agency Workers (if applicable) (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.)</b>	
Number of agencies used (average):	0
Please provide the names of agencies if applicable	Not applicable as there were no agency worker.
Were agency workers' age / pay / hours included within the scope of this audit?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
Were sufficient documents for agency workers available for review?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
Is there a legal contract agreement with all agencies?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No Please give details: Not applicable as there were no agency worker.
Does the site have a system for checking labour standards of agencies?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No Please give details: Not applicable as there were no agency worker.
<b>Contractors (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.)</b>	
Any contractors on site?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No Please give details: Not applicable as there were no contract worker.

<p>Do all contractor workers understand their terms of employment?</p>	<p><input type="checkbox"/> Yes   <input checked="" type="checkbox"/> No</p> <p>Please give details:</p> <p>Not applicable as there were no contract worker.</p>
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**8A - Sub-Contracting and Homeworking**  
**[Summary of Findings]****8A: Compliance Requirements**

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

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

**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:**

- As per the facility documents review, management & workers interview and factory tour, there was no home working used by facility currently.
- As per the facility documents review, management & workers interview and factory tour, there was no subcontractor in the facility currently.
- Auditors have verified all the records and further verified through various internal and external challans.

**Evidence examined:**

- 1.Management interview & Workers interview
- 2.Production capacity plan
- 3.Material in/out register
- 4.Production process of the factory
- 5.Policies and procedures

**Any other comments:**

None

**Summary of sub-contracting – if applicable**

Is there any sub-contracting at this site? ☐ Yes ☒ No

**Summary of homeworking – if applicable**

Is homeworking used at this site? ☐ Yes ☒ No

## 9 - No Harsh or Inhumane Treatment is Allowed [Summary of Findings]

### 9: Compliance Requirements

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.

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

- The facility has established an 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.
- Anti-harassment issue is also covered in employee training.
- 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 the grievance box where an employee can report any grievances (harassment, discrimination etc.) anonymously, any requestion received complaint will be handled by management, without any reprisal for the worker.

#### Evidence examined:

1. The relevant policy on prevention of harassment and abuse
2. Internal grievance procedure documentation.
3. Training records
4. Management interview and employee interview

#### Any other comments:

None

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?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No Please give details: Through direct supervisors, managers, suggestion box and workers participation committee.
If yes, are workers aware of these channels and have access? Please give details.	Workers can share their concern with drop to their complaint into suggestion box and even go to the top management.
If yes, what type of mechanism is used e.g. hotline, whistle blowing mechanism, comment box etc. Please give details.	Suggestion Box
Which of the following groups is there a grievance mechanism in place for?	<input checked="" type="checkbox"/> Worker <input type="checkbox"/> Communities <input type="checkbox"/> Suppliers <input type="checkbox"/> Other
Please provide grievance mechanism details	All workers were aware of these processes; suggestion box was known by the workers. Also, workers can share their concern with workers representatives; drop them complains into suggestion box and even go to the top management.
Are there any open disputes?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No Please give details:

Does the site encourage its business partners (e.g. suppliers) to provide individuals and communities with access to effective grievance mechanisms (e.g. helplines or whistle blowing mechanism)	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No Please give details:
Is there a published and transparent disciplinary procedure?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No Please give details:
If yes, are workers aware of these the disciplinary procedure?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No Please give details:
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 Please give details:

### 10A - Entitlement to Work and Immigration [Summary of Findings]

#### 10A: Compliance Requirements

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

- Per document review, factory management representation, and workers' interview, it was observed that all workers in the factory were Bangladeshi and 100% were local workers and no permission is required for working from one district to another district.
- All workers had the proper legal rights to work in this region.
- All of them were recruited directly by the factory and no agency was involved in the factory's recruitment processes.
- No agency staff or foreign worker was used by the factory.
- There were not any deductions for items such as travel and equipment

#### Evidence examined:

1. Hiring procedure
2. Personnel files
3. Worker's handbook
4. Worker's interview
5. Management interview

#### Any other comments:

None

**10B2 - Environment 2-Pillar**  
**[Summary of Findings]**

**10B2: Compliance Requirements**

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

10.B2.2 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 factory had established an environmental policy, covering their environmental impact, which is communicated to all appropriate parties and its own suppliers.
- Main production process of the factory is Printed Fabrics Label- Artwork, making film output, ink mixing, printing, cutting, inspection & packing; Weaving Label- Artwork, making Design, Weaving, Bulk Weaving, cutting, inspection & packing; Screen Print Label-Artwork-making film output-ink mixing-printing-cutting-inspection & packing. The facility uses chemicals in production process and provided training and Personal Protection Equipment.
- Factory management has conducted training on minimal uses of water, energy and natural resource to all employees.
- Factory management has the agreement with waste collect company for the disposal of general wastages like wastage fabrics, poly, cartons, metals etc. Factory management is aware about the environmental impact of their business activities.

**Evidence examined:**

Environmental policy and procedure, training record, different types of records for energy and water consumption, license, chemical inventory etc.

**Any other comments:**







None

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## Attachments

 <a href="#"><u>HSK BD License.pdf</u></a>	 <a href="#"><u>Training HSK BD.pdf</u></a>
 <a href="#"><u>HSK BD Signed CAPR.pdf</u></a>	 <a href="#"><u>HSK BD Policy.pdf</u></a>
 <a href="#"><u>GSCSF75-Photoframe for HSK BD.pdf</u></a>	 <a href="#"><u>Building Description.pdf</u></a>



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Your feedback on your experience of the SMETA audit you have observed is extremely valuable. It will help to make improvements to future versions.

You can leave feedback by following the appropriate link to our questionnaire:

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[http://www.surveymonkey.com/s.aspx?sm=riPsbE0PQ52ehCo3lnq5lw\\_3d\\_3d](http://www.surveymonkey.com/s.aspx?sm=riPsbE0PQ52ehCo3lnq5lw_3d_3d)

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