

# Sedex Members Ethical Trade Audit (SMETA) Report

Version 5.0 Dec 2014, 2/4 Pillar Audit; replaces version 4.0 May 2012

Supplier name:	Rusel Apparels	
Site country:	Bangladesh	
Site name:	Rusel Apparels	
Parent Company name (of the site):	Osman Group	
SMETA Audit Type:	<input checked="" type="checkbox"/> 2-Pillar	<input type="checkbox"/> 4-Pillar
Date of Audit	26 <sup>th</sup> June, 2016	

## Audit Content:

- (1) A SMETA audit was conducted which included some or all of Labour Standards, Health and Safety, Environment and Business ethics. The SMETA Best Practice Guidance Version 5 December 2015 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
      - Management systems and code implementation,
      - 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 new ETI Working Hours Clause
    - Now integrated into this latest SMETA version.

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.





<b>Audit Company Name: AJA Bangladesh Ltd.</b>	Report Owner (payee): <b>Russel Apparels</b> (If paid for by the customer of the site please remove for Sedex upload)
Sedex Company Reference: (only available on Sedex System)	S000000077480
Sedex Site Reference: (only available on Sedex System)	P000000166583

Audit Conducted By			
Commercial	<input checked="" type="checkbox"/>	Purchaser	<input type="checkbox"/>
NGO	<input type="checkbox"/>	Retailer	<input type="checkbox"/>
Trade Union	<input type="checkbox"/>	Brand Owner	<input type="checkbox"/>
Multi-stakeholder	<input type="checkbox"/>	Combined Audit (select all that apply)	

Auditor Reference Number: (If applicable)	N/A
--	-----

## SMETA Declaration

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

Any exceptions to this must be recorded here (e.g. different sample size):

Auditor Name(s) (please list all including all interviewers):

Lead auditor: A.T.M. Anisuzzaman

Team auditor: Kabirul Alam, Md. Moniruzzaman & Md. Zahidur Rahman (Auditors)

Interviewers: Md. Moniruzzaman & Md. Zahidur Rahman

Date: 26<sup>th</sup> June, 2016

## Non-Compliance Table

Issue <i>(please click on the issue title to go direct to the appropriate audit results by clause)</i>	Area of Non-Conformity <i>(Only check box when there is a non-conformity, and only in the box/es where the non-conformity can be found)</i>			Record the number of issues by line*:		
	ETI Base Code	Local Law	Additional Elements <i>(i.e. not part of ETI code)</i>	NC	Obs	GE
0 <a href="#">Management systems and code implementation</a>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>			
1 <a href="#">Employment Freely Chosen</a>	<input type="checkbox"/>	<input type="checkbox"/>				
2 <a href="#">Freedom of Association</a>	<input type="checkbox"/>	<input type="checkbox"/>				
3 <a href="#">Safety and Hygienic Conditions</a>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>		05		
4 <a href="#">Child Labour</a>	<input type="checkbox"/>	<input type="checkbox"/>				
5 <a href="#">Wages and Benefits</a>	<input type="checkbox"/>	<input type="checkbox"/>				
6 <a href="#">Working Hours</a>	<input type="checkbox"/>	<input type="checkbox"/>				
7 <a href="#">Discrimination</a>	<input type="checkbox"/>	<input type="checkbox"/>				
8 <a href="#">Regular Employment</a>	<input type="checkbox"/>	<input type="checkbox"/>				
8A <a href="#">Sub-Contracting and Home working</a>		<input type="checkbox"/>	<input type="checkbox"/>			
9 <a href="#">Harsh or Inhumane Treatment</a>	<input type="checkbox"/>	<input type="checkbox"/>				
10A <a href="#">Entitlement to Work</a>		<input type="checkbox"/>	<input type="checkbox"/>			
10B2 <a href="#">Environment 2-Pillar</a>		<input checked="" type="checkbox"/>	<input type="checkbox"/>	01		
10B4 <a href="#">Environment 4-Pillar</a>		<input type="checkbox"/>	<input type="checkbox"/>			
10C <a href="#">Business Ethics</a>		<input type="checkbox"/>	<input type="checkbox"/>			

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

## Summary of Findings

Summary of main findings: (positive and negative)  
 (Please give a short summary of the main findings per clause)

**Audit Process:**

This periodic audit is conducted by AJA Bangladesh Ltd. Four auditors assessed / verified the factory's operations against the ETI Base Code and local legislations on a sampling basis in one day.

Overview of opening meeting, factory management responses:

At 08:30 am, auditors entered the facility and had an opening meeting with the factory management according to the SMETA Guideline. The facility management Md. Robiul Hossain (Mamun)- Manager (HR & Compliance) along with his team was present in the meeting. They stated that they would be co-operative with this audit.

52 attendance records and payroll records from May 2016, 52 attendance records and payroll records from January, 2016 (randomly selected month) and 52 attendance & payroll records from September 2015 (randomly selected month) were reviewed in this audit. 52 workers were interviewed where 20 were male and rest of 32 were female.

**Summary of Findings (positive and negative) :**

1. Generator license of the factory has been expired since 12<sup>th</sup> October, 2015. Note that facility has applied already but yet not the updated copy.
2. Group insurance certificate of the factory has been expired since 6<sup>th</sup> May, 2016. Note that facility has already applied for renewal but yet not got the updated copy.
3. Workers working at fusing machines were not using hand gloves located at 5<sup>th</sup> floor of the factory building.
4. 01 aisle at finishing section and 01 aisle at sewing section(just before thread sucking machines) were found partially blocked by goods, machines, tables and cartons.
5. 2 diesel oil drums were kept without secondary containment in compressor room located at 5<sup>th</sup> floor of the factory building.
6. Wastages were kept without segregation in open space though there was designated wastage area available.

**Best Practices Observed:**

The facility provides attendance bonus and two festival bonuses in a year to all the employees.

## Audit Details

Audit Details	
A: Report #:	AJA-BD-SEDEX-20160626
B: Time in and time out <i>(SMETA Best Practice Guidance and Measurement Criteria recommends 9.00–17.00 hrs. if any different please state why in the SMETA declaration )</i>	Day 1 Time in: 08:30 Day 1 Time out: 17:20
C: Number of Auditor Days Used: <i>(number of auditor x number of days)</i>	04 Auditors in 01 day.
D: Audit type:	<input type="checkbox"/> Full Initial <input checked="" type="checkbox"/> Periodic <input type="checkbox"/> Full Follow-up <input type="checkbox"/> Partial Follow-Up <input type="checkbox"/> Partial Other – Define
E: Was the audit announced? <i>(AAG recommends a window of three weeks for semi-announced, this gives optimum results)</i>	<input type="checkbox"/> Announced <input checked="" type="checkbox"/> Semi – announced: Window detail: 04 weeks <input type="checkbox"/> Unannounced
F: Was the Sedex SAQ available for review?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
If <b>No</b> , why not? <i>(Examples would be, site has not completed SAQ, site has not been asked to complete the SAQ.)</i>	N/A
G: Any conflicting information SAQ/Pre-Audit Info to Audit findings?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No If <b>Yes</b> , please capture detail in appropriate audit by clause
H: Auditor name(s) and role(s):	A.T.M. Anisuzzaman (Lead Auditor), Kabirul Alam, Md. Moniruzzaman & Md. Zahidur Rahman (Auditors)
I: Report written by:	A.T.M. Anisuzzaman
J: Report reviewed by:	Md. Shahinur Rahman
K: Report issue date:	
L: Supplier name:	Russel Apparel

M: Site name:	Russel Apparel
N: Site country:	Bangladesh
O: Site contact and job title:	Md. Robiul Hossain (Mamun)- Manager (HR & Compliance)
P: Site address: (Please include full address)	Kathali, Valuka, Mymensingh, Bangladesh
Site phone:	+880 (2) 7641341, +8801777783462
Site fax:	+88(02) 8921582
Site e-mail:	Compliance.ra@osmangroupbd.com
Q: Applicable business and other legally required licence numbers: for example, business license no, and liability insurance	<p><b>1. Trade Licence:</b> No. 01587 issued by Valuka Poroshava, Mymensingh valid until 30 June, 2016.</p> <p><b>2. Fire License No:</b> DD/Mymon/1008/11 issued by Bangladesh Fire Service &amp; Civil Defence Authority which is valid till June 30, 2016.</p> <p><b>3. Group Insurance No:</b> Certificate No SLICL-GT-0000000669-0514 issued by Sonali Life Insurance Company Ltd, valid till 06/05/2016.</p> <p><b>4. BGMEA Membership No:</b> Registration No 53903236 issued by Bangladesh Garments Manufacturers &amp; Exporter Association (BGMEA) Authority which is valid till December 31, 2016.</p> <p><b>5. Factory Licence:</b> Licence No 255/ Mymensingh, Issued by Factory Inspector Office Valid to 31/12/2016.</p> <p><b>6. Tax Identification No:</b> TIN No. 018-101-4056/C-243 Circle -243, Zone- 12 (Companies)</p> <p><b>7. EPB Certificate:</b> Certificate No BD05359 issued by Export Promotion Bureau (EPB) valid until 30/06/2016.</p>
R: Products/Activities at site, for example, garment manufacture, electricals, toys, grower	Woven Garments
S: Audit results reviewed with site management?	Yes
T: Who signed and agreed CAPR (Name and job title)	Md. Robiul Hossain (Mamun)- Manager (HR & Compliance)
U: Did the person who signed the CAPR have authority to implement changes?	Yes
V: Present at closing meeting (Please state name and position, including any workers/union reps/worker reps):	Md. Robiul Hossain (Mamun)- Manager (HR & Compliance) Md. Shafiqul Islam (Rokon)- GM (Production)

	Md.Tawhidul Islam- Officer (HRD & Compliance) Most. Shahida Islam- Welfare Officer Rabeya Khanom- Welfare Officer Ms. Shanjida- PC Committee member			
W: What form of worker representation / union is there on site?	<input type="checkbox"/> Union (name) <input type="checkbox"/> Worker Committee <input checked="" type="checkbox"/> Other (Workers Participation Committee ) <input type="checkbox"/> None			
X: Are any workers covered by Collective Bargaining Agreement (CBA)	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No			
Y: Previous audit date:	9 <sup>th</sup> July, 2015			
Z: Previous audit type:	N/A	SMETA 2– pillar	SMETA 4– pillar	Other
	Full Initial	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	Periodic	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	Full Follow–Up Audit	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	Partial Follow–Up	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	Partial Other*	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
*If other, please define: Not Applicable				

## Audit Scope/Actual Results

Criteria	Local Law <i>(Please state legal requirement)</i>	Actual at the Site <i>(Record site results against the law)</i>	Is this part of a Collective Bargaining Agreement?
A: Standard/Contracted work hours: <i>(Maximum legal and actual required working hours excluding overtime, please state if possible per day, week and month)</i>	Legal maximum: 08 hours / Day & 48 hours / Week	08 hours / Day & 48 hours / Week	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
B: Legal Overtime hours: <i>(Maximum legal and actual overtime hours, please state if possible per day, week and month)</i>	Legal maximum: Not exceed 02 hours / Day & 12 hours / Week	02 hours / Day & 12 hours / Week	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
C: Legal age of employment: <i>(Minimum legal and actual minimum age at site)</i>	Legal minimum: Above 18 years	19 years	N/A
D: Legal minimum wage for standard/contracted hours: <i>(Minimum legal and actual minimum wage at site, please state if possible per hr, day, week and month)</i>	Legal minimum: BDT 5300 / Month	BDT 5300 / Month	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
E: Legal minimum overtime wage: <i>(Minimum legal and actual minimum overtime wage at site, please state if possible per hr, day, week and month)</i>	Legal minimum: BDT 28.85 / Per hour	BDT 28.85 / Per hour	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No

### Audit Scope

*(Please select the code and additional requirements that were audited against during this audit)*

2–Pillar Audit	<input checked="" type="checkbox"/>
10B4: Environment 4–Pillar	<input type="checkbox"/>
10C: Business Ethics	<input type="checkbox"/>
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"/>

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

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

## Audit Overview

Audit Overview			
	Management	Worker Representatives	
Audit attendance	Senior management	Worker Committee representatives	Union representatives
A: Present at the opening meeting?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
B: Present at the audit?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
C: Present at the closing meeting?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
D: If Worker Representatives were not present please explain reasons why <i>(only complete if no worker reps present)</i>	N/A		
E: If Union Representatives were not present please explain reasons why: <i>(only complete if no union reps present)</i>	No union has been formed by the workers of the factory. As per the documents the workers are free to form union but workers did not do so.		
F: Site description: <i>(Include size, location and age of site. Also include structure and number of buildings)</i>	<p>Russel Apparels is located at Kathali, Valuka, Mymensingh, Bangladesh. Total land area occupied by this factory is 100,000 square feet where production area is about 86,000 square feet and warehouse area is about 15,000 square feet. The factory started its operation at the existing location in 2012.</p> <p>The facility comprises of one building and one shed. Building and shed descriptions are given below:</p> <p><b><u>Building no. 01 (06 storied)</u></b></p> <p><b>Ground floor</b> – Generator room , boiler room, child care center medical center, accessories store , fabric store, security post and Ekram Sweater Ltd.(another company of same owner)</p> <p><b>1st floor</b> – Ekram Sweaters Ltd. (another company of same owner)</p> <p><b>2nd floor</b> – Ekram Sweaters Ltd. (another company of same owner)</p> <p><b>3rd floor</b> – Ekram Sweaters Ltd. (another company of same owner)</p> <p><b>4th floor</b> – Sewing section, Iron section, poly section, folding section, packing section, finished goods store, conference room, office, inspection room, time section and accessories sub store.</p> <p><b>5th floor</b> – Cutting section, sample section, dining hall, canteen and</p>		

	<p>prayer room.</p> <p>Roof top is 100% free.</p> <p>Shed is used as wastage store.</p> <p>Currently 1450 employees are working in this factory. Among them 100 are non-production employees and 1350 are production employees. Out of 1450 employees, 910 are female and 540 are male.</p> <p>Employees worked for 6 days (Saturday to Thursday) a week. Factory runs in one general shift from 8:00 am to 5:00 pm with 1 hour lunch breaks from 1.00 pm to 2.00 pm. Employees are paid by monthly basis.</p>
<p>G: Site function:</p>	<p><input type="checkbox"/> Agent</p> <p><input checked="" type="checkbox"/> Factory Processing/Manufacturer</p> <p><input type="checkbox"/> Finished Product Supplier</p> <p><input type="checkbox"/> Grower</p> <p><input type="checkbox"/> Home worker</p> <p><input type="checkbox"/> Labour Provider</p> <p><input type="checkbox"/> Pack House</p> <p><input type="checkbox"/> Primary Producer</p> <p><input type="checkbox"/> Service Provider</p> <p><input type="checkbox"/> Sub-Contractor</p>
<p>H: Month(s) of peak season: (if applicable)</p>	<p>Same round the year</p>
<p>I: Process overview: (Include products being produced, main operations, number of production lines, main equipment used)</p>	
<p>Main products manufactured by the factory: Woven items.</p> <p>Facility's production capacity: 250,000 pieces per month.</p> <p>Main production processes: Cutting, sewing, finishing, packing and final product.</p> <p style="text-align: center;"><b><u>Machine List of Russel Apparels.</u></b></p> <p>Single Needle Lock Stitch ,Single Needle Lck/St Trimmer, Two Needle Lock stitch, Two Needle Angular ,Two Needle Chain Stitch, Over Lock 4 Thread, Over Lock 5 Thread, Over Lock ( Foot Operated Mc ) ,Button hole Computer, Button hole Manual, Button Stitch Computer, Button Stitch Manual, Bar tacking Computer, Bar tacking Manual, Feed of the Arm 3 needle, Flat Lock ( Flat Bed ),Flat Lock ( Cylinder Bed ),Loop Making, Kansai Special PMD, Snap Button (Pneumatics),Snap Button (Manual), Eyelet Hole Computer, Velcro Cutting, Zig Zag Sewing, Plastic Staple Attached ,Threat trimming, Fabric Cutting Machine, ,Ban Knife ( Asian Star ),Fusing Machine ,Hit seal Machine ,Fabric Inspection ,Spot Removing Machine, Snap/Button Pull Test, Thread sucker, Vacuum Iron Table, P.P Belt Binding Machine, Gas Boiler , Electric boiler , Iron ,CAD System, Compressor Gas Generator and Diesel Generator and Needle Detector.</p> <p><b>Chemical Used:</b> Diesel, spot lifter, thinner and detergent.</p>	

**J: Attitude of workers:**

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

20 employees were selected for individual interview and 32 employees in 8 (8X4) groups were selected for group interviews. All the interviewees were favourable with the management and factory environment. No negative information was raised.

**K: Attitude of workers committee/union reps:**

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

The workers representatives were found cooperative and positive throughout the audit.

**L: Attitude of managers:**

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

The factory management was found cooperative throughout the audit.

## Key Information

<b>Key Information</b> <i>(click on the key information title to go to appropriate section of the report)</i>					
A: Do all workers (including migrant workers) have contracts of employment/employment agreements? <a href="#">(Go to clause 8 – Regular Employment)</a>	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No No migrant workers in the facility				
B: Are maximum standard/contracted working hours clearly defined in contract/employment agreements? <a href="#">(Go to clause 8 – Regular Employment)</a>	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No				
C: Were appropriate records available to verify hours of work and wages? <a href="#">(Go to clause 5 – Living Wage)</a>	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No				
D: Were any inconsistencies found? (if yes describe nature) <a href="#">(Go to Wages Table)</a>	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No <input type="checkbox"/> Poor record keeping <input type="checkbox"/> Isolated incident <input type="checkbox"/> Repeated occurrence				
E: For the lowest paid production workers, are wages paid for standard/contracted hours (excluding overtime) below or above the legal minimum? <a href="#">(Go to clause 5 – Living Wage)</a>	<table border="1" style="width: 100%;"> <tr> <td style="width: 50%;">Wages found:</td> <td style="width: 50%;">Please indicate the breakdown of workforce according to earnings:</td> </tr> <tr> <td> <input type="checkbox"/> Below legal min  <input checked="" type="checkbox"/> Meet  <input checked="" type="checkbox"/> Above                 </td> <td>                     ___ % of workforce earning under min wage                      ___30___ % of workforce earning min wage                      ___70___ % of workforce earning above min wage                 </td> </tr> </table>	Wages found:	Please indicate the breakdown of workforce according to earnings:	<input type="checkbox"/> Below legal min <input checked="" type="checkbox"/> Meet <input checked="" type="checkbox"/> Above	___ % of workforce earning under min wage ___30___ % of workforce earning min wage ___70___ % of workforce earning above min wage
Wages found:	Please indicate the breakdown of workforce according to earnings:				
<input type="checkbox"/> Below legal min <input checked="" type="checkbox"/> Meet <input checked="" type="checkbox"/> Above	___ % of workforce earning under min wage ___30___ % of workforce earning min wage ___70___ % of workforce earning above min wage				
F: % of piece rate workers: (if applicable)	0%				
G: Do the standard/contracted hours stated in a contract/employment agreement exceed the law or 48 hours per week? <a href="#">(Go to clause 6 – Working hours)</a>	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No				
H: If yes, what are the standard/contracted hours per week as stated in the contract/employment agreement? <a href="#">(Go to clause 6 – Working hours)</a>	<table border="1" style="width: 100%;"> <tr> <td style="width: 50%;">_N/A_ hrs/week</td> <td style="width: 50%;">Approx. ___ % of <b>ALL</b> workers on these contacted hours</td> </tr> </table>	_N/A_ hrs/week	Approx. ___ % of <b>ALL</b> workers on these contacted hours		
_N/A_ hrs/week	Approx. ___ % of <b>ALL</b> workers on these contacted hours				
I: Combined hours (standard/contracted plus overtime = total hours) over 60 per week found? <a href="#">(Go to Working Hours Analysis)</a>	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No				
J: Are workers provided with 1 day off in every 7-day-period, or 2 in 14-day-period (where the law allows)?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No If 'No', please explain: Not applicable				

<p>K: Are the correct legal overtime premiums paid? <a href="#">(Go to Wages Table)</a></p>	<p><input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A</p>
<p>L: Please state what actual OT is paid. (As a percentage of the workers standard rate) <a href="#">(Go to Working Hours Analysis)</a></p>	<p>Please give details of overtime premium as a % of standard wages: <input type="checkbox"/> 0% <input type="checkbox"/> 1% – 115% <input type="checkbox"/> 116% – 124% <input type="checkbox"/> 125% – 199% <input checked="" type="checkbox"/> 200%+ Please give details: All workers are getting 200% of standard wage as overtime premium.</p>
<p>M: Is there any night production work at the site?</p>	<p><input type="checkbox"/> Yes <input checked="" type="checkbox"/> No</p>
<p>N: % of workers living in site provided accommodation (if applicable):</p>	<p>None</p>
<p>O: Age of youngest worker found: <a href="#">(Go to clause 4 – Child labour)</a></p>	<p>19 years</p>
<p>P: Workers under 18 subject to hazardous work assignments? <a href="#">(Go to clause 3 – Health and Safety)</a></p>	<p><input type="checkbox"/> Yes <input checked="" type="checkbox"/> No</p>
<p>% of under 18's at this site (of total workers)</p>	<p>Not applicable</p>
<p>Q: What form of worker representation/union is there on site? <a href="#">(Go to clause 2 – Freedom of Association)</a></p>	<p><input type="checkbox"/> Union (name) <input type="checkbox"/> Worker Committee <input checked="" type="checkbox"/> Other (Worker Participant Committee ) <input type="checkbox"/> None</p>
<p>R: Is it a legal requirement to have a union? <a href="#">(Go to clause 2 – Freedom of Association)</a></p>	<p><input type="checkbox"/> Yes <input checked="" type="checkbox"/> No</p>
<p>S: Is It a legal requirement to have a workers committee? <a href="#">(Go to clause 2 – Freedom of Association)</a></p>	<p><input checked="" type="checkbox"/> Yes <input type="checkbox"/> No</p>
<p>T: Is there any other form of effective worker/management communication channel? (Other than union/worker committee) <a href="#">(Go to clause 2 – Freedom of Association)</a></p>	<p><input type="checkbox"/> Yes <input checked="" type="checkbox"/> No Describe: Not applicable</p>
<p>U: Are there any External Processes? <a href="#">(Go to clause 8A – Sub-contracting and Home working)</a></p>	<p><input type="checkbox"/> Sub-Contracting <input type="checkbox"/> Home working <input type="checkbox"/> Other External Process <input checked="" type="checkbox"/> No external processes</p>

## Management Systems

Management Systems:	
A: Nationality of Management	Bangladeshi
B: Gender breakdown of Management + Supervisors <i>(Include as one combined group)</i>	Male: <u>98</u> % Female: <u>2</u> %
C: Majority nationality of workers	Bangladeshi. No migrated workers were available in the facility.
D: Number of workers leaving in last 12 months as a % of average total number of workers on site over the year (annual worker turnover)	<u>5</u> %
E: Were accurate records shown at the first request?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
F: If <b>No</b> , why not?	Not applicable
G: In the last 12 months, has the site been subject to any fines/prosecutions for non-compliance to any regulations?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No Please describe: Not applicable
H: Do policies and/or procedures exist that reduce the risk of forced labour, child labour, discrimination, harassment & abuse?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No Please describe: No records were found what showed any existence of forced labour, child labour, discrimination, harassment & abuse in the facility. But still the human resource department is conducting regular internal audit to identify any risk regarding the mentioned issues.
I: If <b>Yes</b> , is there evidence (an indication) of effective implementation? Please give details.	Internal audit, corrective action of internal & external audit findings, regular meeting, awareness training.
J: 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 describe: Training documents. Human resource department is responsible to conduct those training periodically.
K: If <b>Yes</b> , is there evidence (an indication) that training has been effective e.g. training records etc.? Please give details	Related training documents review, management & workers interview.
L: Are there published, anonymous and/or open channels available for reporting any violations of Labour standards and H&S or any other grievances to a 3 <sup>rd</sup> party?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No Please describe: Grievance register, meeting minutes of workers participation committee are available for reviewing.

<p>M: If <b>Yes</b>, are workers aware of these channels? Please give details.</p>	<p>Grievance boxes are kept in every toilet in a safety place and all boxes are checked once in a month and workers' participation committee is arranging workers' meeting regularly. If any complain comes, it gets entry in the grievance register and verified by the concern officer and all these registers are available for reviewing.</p>
<p>N: Have health and safety risks been identified e.g. through internal audits, formal risk analysis process, worker involvement etc.?</p>	<p><input type="checkbox"/> Yes  <input checked="" type="checkbox"/> No  Please describe: Not applicable</p>
<p>O: If <b>Yes</b>, has effective action been taken to reduce or eliminate these risks?</p>	<p>Not applicable</p>
<p>P: Are accidents recorded?</p>	<p><input checked="" type="checkbox"/> Yes  <input type="checkbox"/> No  Please describe: All major &amp; minor accidents were recorded in the accident register.</p>
<p>Q: Has the auditor made a simple calculation to compare capacity with workers' work load in order to identify possible unrecorded work hours?</p>	<p><input checked="" type="checkbox"/> Yes  <input type="checkbox"/> No  Please describe: Reviewing the Challan book, production record &amp; packing list and other relevant documents</p>
<p>R: Does the site have all required land rights licenses and permissions (see <i>SMETA Measurement Criteria</i>)?</p>	<p>Facility runs operation in its own building and the approval has been taken from concerned authority.</p>
<p>S; Does the site have any internationally recognised system certifications e.g. ISO 9000, 14000, OHSAS 18000, SA8000 (or other social audits). Please detail (Number and date).</p>	<p>BSCI &amp; buyers COC</p>
<p>T: Is there a Human Resources manager/department? If Yes, please detail.</p>	<p><input checked="" type="checkbox"/> Yes  <input type="checkbox"/> No  Please describe: Facility has a human resource department which is responsible for monitoring and implementing local regulation and clients requirements.</p>

## Worker Analysis

Worker Analysis								
	Local			Migrant			Home workers	Total
	Permanent	Temporary	Agency	Permanent	Temporary	Agency		
Worker numbers – male	540	0	0	0	0	0	0	540
Worker numbers – female	910	0	0	0	0	0	0	910
Total	1450	0	0	0	0	0	0	1450
Number of Workers interviewed	52 (20 male and 32 female)	0	0	0	0	0	0	52

### Contractors:

(Individuals supplying workers to site with the workers paid by contractors, not by site)

A: Any contractors on site?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
B: If <b>Yes</b> , how many workers supplied by contractors	Not applicable
C: Are all contractor workers paid according to law?	<input type="checkbox"/> Yes <input type="checkbox"/> No    Not applicable
If <b>Yes</b> , Please give evidence for contractor workers being paid according to law:	Not applicable

### Migrant Workers:

(Please see SMETA Best Practice Guidance and Measurement Criteria for definitions of migrant workers)

D: Originating Locations/Countries:	Not applicable
E: Type of work undertaken by migrant workers :	Not applicable
F: Were migrant workers recruited through an agency?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No

If yes, please give details.	Please describe: Not applicable
If <b>Yes</b> , is there a contract with the agency? Provide details of agencies and contractual arrangements including any fees lodged during the recruitment process.	Not applicable
G: Does the site have a system for checking labour standards of agencies? If yes, please give details.	<input type="checkbox"/> Yes <input type="checkbox"/> No Please describe: Not applicable
H: Percentage of migrant workers in company provided accommodation:	Not applicable

## Audit Results by Clause

### 0: Management systems and Code Implementation

#### 0: Managements system and Code Implementation [\(click here to return to NC Table\)](#)

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

#### 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:

##### Documents checked & comments:

- Management interview
- Worker interview
- Policy and procedure
- List of responsible person for ensuring this code implementation
- Training Records
- Notice board
- Meeting Minutes

##### Description of Current Status:

- Through the management and workers' interview, factory implements and maintains systems for delivering compliance to this Code. Through the document review and management interview Md. Robiul Hossain - Manager (HR & Compliance) is responsible for compliance with the Code.
- The factory communicates this Code to all employees and to their suppliers by notice board, training and meeting.

**Non-compliance:**

**Description of non-compliance:**

None observed

NC against ETI  NC against Local Law

**Local law or ETI requirement:**

Not applicable

**Recommended corrective action:**

Not applicable

**Objective evidence observed:**

Not applicable

**Observation:**

**Description of observation:**

None observed

**Local law or ETI requirement:**

Not applicable

**Comments:**

Not applicable

**Objective evidence observed:**

Not applicable

**Good Examples observed:**

**Description of Good Example (GE):**

None observed

**Objective Evidence Observed:**

Not applicable

## 1: Employment is freely Chosen

### 1: Employment is Freely Chosen

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

#### ETI

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

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

#### Current Systems and Evidence Examined

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

#### Current systems:

##### Documents checked & comments:

- Management interview
- Worker interview
- Local and national law
- Personal files
- Appointment letters
- ID card issue register
- Complain register
- Policies

##### Description of Current Status:

- Through the management and workers’ interview, the factory does not require deposit or withhold employees’ ID cards.
- Workers are free to leave their employer after reasonable notice.
- The factory does not limit the employees’ freedom.

#### Non-compliance:

##### Description of non-compliance:

None observed

NC against ETI    NC against Local Law

##### Local law or ETI requirement:

Not applicable

##### Recommended corrective action:

Not applicable

##### Objective evidence

**observed:**

Not applicable

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

Good Examples observed:	
<p><b>Description of Good Example (GE):</b> None observed</p>	<p><b>Objective Evidence Observed:</b> Not applicable</p>

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

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

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

#### ETI

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

#### Current Systems and Evidence Examined

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

#### Current systems:

##### Documents checked & comments:

- Management interview
- Worker interview
- Local and national law
- Meeting register
- Meeting minutes
- Formation of participation committee
- Posted pictures of participation committee's representatives
- Policies

##### Description of Current Status:

- Worker can raise their demand to the factory management through the workers' participation committee
- Workers' participation committee is functional in the work place.
- Workers are free to form the association as per law and are free to bargain.
- Workers are aware of their committee and their rights.
- Workers' representatives are familiar to all workers.

#### Non-compliance:

##### Description of non-compliance:

None observed

NC against ETI    NC against Local Law

##### Objective evidence observed:

Not applicable.

<b>Local law or ETI requirement:</b> Not applicable	
<b>Recommended corrective action:</b> Not applicable	

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

A: Name of union and union representative, if applicable:	Not Applicable. There was no union in the factory.	Is there evidence of free elections? <input type="checkbox"/> Yes <input type="checkbox"/> No <input checked="" type="checkbox"/> N/A
B: If no union what is parallel means of consultation with workers e.g. worker committees?	Workers' Participation Committee.	Is there evidence of free elections? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A
C: Were worker representatives/union representatives interviewed	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No If <b>Yes</b> , please state how many: 02	
D: State any evidence that union/workers committee is effective? <i>Specify date of last meeting; topics covered; how minutes were communicated etc.</i>	Register of meeting minutes and corrective actions and also workers interview.	
E: Are any workers covered by Collective Bargaining Agreement (CBA)	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	
F: If <b>Yes</b> what percentage by trade Union/worker representation	_____% workers covered by Union CBA	_____% workers covered by worker rep CBA
G: If <b>Yes</b> , does the Collective Bargaining Agreement (CBA) include rates of pay	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	

Good Examples observed:	
Description of Good Example (GE): None observed	<b>Objective Evidence Observed:</b> Not applicable

### 3: Working Conditions are Safe and Hygienic

#### 3: Working Conditions are Safe and Hygienic

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

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

#### ETI

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

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

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

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

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

#### Current Systems and Evidence Examined

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

#### Current systems:

##### Documents checked & comments:

- Management interview
- Worker interview
- Different kinds of licenses, certificates and test reports
- Local and national law
- Training register
- Fire drill record
- Accident & injury records
- Policies

##### Description of Current Status:

- All switches in the electrical control panels have been labelled.
- The factory posted the evacuation plans on work floors.
- Drinkable water was available in workshops but no water cooling system was found.
- Toilets were found unclean with stink.
- Facility conduct fire drill on regular basis and adequate numbers of fire equipments were found on floors.
- Dining space for the workers was found clean
- First aid boxes were found in adequate number in workplace in different sections.

**Non-compliance:**

**1. Description of non-compliance:**

Noted through documents review and management interview that generator license of the factory has been expired since 12<sup>th</sup> October, 2015. Note that facility has applied already but yet not the updated copy.

NC against ETI       NC against Local Law

**Local law and/or ETI requirement:**

In accordance with Energy Regulatory Act-2003, Section-27 & ETI Base Code-3.1

No person shall engage himself in the following business unless he is empowered by a license 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 &

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.

**Recommended corrective action:**

It is agreed by the facility management that they would renew generator license in time from concerned authority.

**Corrective Action Time Frame:** 90 days.

**2. Description of non-compliance:**

Noted through documents review and management interview that group insurance certificate of the factory has been expired since 6<sup>th</sup> May, 2016. Note that facility has already applied for renewal but yet not got the updated copy.

NC against ETI       NC against Local Law

**Local law and/or ETI requirement:**

In accordance with Group Insurance Certificate

Provided that Group Insurance license of the factory should be updated from concerned authority.

**Recommended corrective action:**

It is agreed by the facility management that they would renew group insurance certificate in time from concerned authority.

**Corrective Action Time Frame:** 60 days.

**Objective evidence observed:**

1. Documents review and management interview.
2. Documents review & management interview.
3. Facility visit
4. Facility visit
5. Facility visit

**3. Description of non-compliance:**

Noted during facility visit that workers working at fusing machines were not using hand gloves located at 5<sup>th</sup> floor of the factory building.

NC against ETI       NC against Local Law

**Local law and/or ETI requirement**

In accordance with ETI Base 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.

**Recommended corrective action:**

It is agreed by the facility management that they would ensure using personal protective equipments by all the workers.

**Corrective Action Time Frame:** 30 days.

**4. Description of non-compliance:**

Noted during factory tour that 01 aisle at finishing section and 01 aisle at sewing section(just before thread sucking machines) were found partially blocked by goods, machines,

NC against ETI       NC against Local Law

**Local law and/or ETI requirement**

In accordance with Bangladesh Labour Law 2006, Section-72©

All passageways should be free from any obstacles.

**Recommended corrective action:**

It is agreed by the facility management that they would keep all aisles free to move for the workers in case of emergency.

**Corrective Action Time Frame:** 30 days

**5. Description of non-compliance:**

Noted during facility visit that 2 diesel oil drums were kept without secondary containment in compressor room located at 5<sup>th</sup> floor of the factory building.

<p><input checked="" type="checkbox"/> NC against ETI      <input type="checkbox"/> NC against Local Law</p> <p><b>Local law and/or ETI requirement</b>  <u>In accordance with ETI Base Code-3.1</u>  A safe and hygienic working environment shall be provided, bearing in mind the prevailing knowledge of the industry and of any specific hazards. Adequate steps shall be taken to prevent accidents and injury to health arising out of, associated with, or occurring in the course of work, by minimising, so far as is reasonably practicable, the causes of hazards inherent in the working environment.</p> <p><b>Recommended corrective action:</b>  It is agreed by the facility management that they would keep all diesel oil drums with proper secondary containment.</p> <p><b>Corrective Action Time Frame:</b> 30 days</p>	
---	--

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

Good Examples observed:	
<p><b>Description of Good Example (GE):</b> None observed</p>	<p><b>Objective Evidence Observed:</b> Not applicable</p>

## 4: Child Labour Shall Not Be Used

### 4: Child Labour Shall Not Be Used

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

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

#### ETI

4.1 There shall be no new recruitment of child labour.

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

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

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

### Current Systems and Evidence Examined

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

#### Current systems:

##### Documents checked & comments:

- Management interview
- Worker interview
- Personal files
- Age verification documents (i.e. national ID, birth certificate, age verification certificate)
- Local and national law
- Policies

##### Description of Current Status:

- The factory establishes a policy that will never employ and use any child labour under the age of 18 years old.
- The factory verifies all workers' original ID cards at the time of recruitment and keeps the photocopies of workers' ID cards in the personnel files.
- 52 employees' personal files were provided for review. Each employee file includes a bio-data sheet, a recent photo and the age documentation, which is in the form of photocopied national identification card. The card lists the employee's name, household address and the date of birth.
- No young looking worker was found during facility visit.

#### Non-compliance:

<p><b>Description of non-compliance:</b> None observed</p> <p><input type="checkbox"/> NC against ETI   <input type="checkbox"/> NC against Local Law</p> <p><b>Local law or ETI requirement:</b> Not applicable</p> <p><b>Recommended corrective action:</b> Not applicable</p>	<p><b>Objective evidence observed:</b> Not applicable</p>
--	---

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

Good Examples observed:	
<p>Description of Good Example (GE): None observed</p>	<p><b>Objective Evidence Observed:</b> Not applicable</p>

## 5: Living Wages are paid

### 5: Living Wages are Paid

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

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

#### ETI

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

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

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

#### Current Systems and Evidence Examined

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

#### Current systems:

##### Documents checked & comments:

- Management interview
- Worker interview
- Local and national law
- 12 months time cards and wage sheets of sampled workers
- Sample pay slip
- Workers' personal files, maternity files and resigned workers' files
- Workers' contracts
- Leave register, maternity register
- Training records

##### Description of Current Status:

- Workers are getting their wages as per national legal standard and facility is providing wages within seven working days.

#### Non-compliance:

##### Description of non-compliance:

None observed

NC against ETI    NC against Local Law

##### Objective evidence observed:

Not applicable

<b>Local law or ETI requirement:</b> Not applicable	
<b>Recommended corrective action:</b> Not applicable	

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

<b>Good Examples observed:</b>	
<b>Description of Good Example (GE):</b> None observed	<b>Objective Evidence Observed:</b> Not applicable

**Wages analysis:**

<b>Wages analysis:</b> <a href="#">(Click here to return to Key Information)</a>	
<b>A: Sample Size Checked</b> <i>(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)</i>	52 samples from May 2016 52 samples from January 2016 52 samples from September 2015
<b>B: Are there different legal minimum wage grades? If Yes, please specify all.</b>	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No If <b>Yes</b> , please give details: The Government announced the new pay structure on 5 <sup>th</sup> December, 2013 for the workers of the Fashions Industries. The Gazette Notification has been published on 5 <sup>th</sup> December, 2013 for the implementation of the new pay structure. There are two separate pay structures; one for the garment workers and another for the employees.

	<p>1. For the workers:</p> <table border="1"> <thead> <tr> <th>Grades</th> <th>Monthly basic wage</th> <th>House rent 40% of the basic</th> <th>Medical allowance</th> <th>Conveyance</th> <th>Food</th> <th>Gross monthly wage</th> </tr> </thead> <tbody> <tr> <td>Grade 1</td> <td>Tk. 8500</td> <td>Tk. 3400</td> <td>Tk. 250</td> <td>Tk. 200</td> <td>Tk. 650</td> <td>Tk.13000</td> </tr> <tr> <td>Grade 2</td> <td>Tk. 7000</td> <td>Tk. 2800</td> <td>Tk. 250</td> <td>Tk. 200</td> <td>Tk. 650</td> <td>Tk.10900</td> </tr> <tr> <td>Grade 3</td> <td>Tk. 4075</td> <td>Tk. 1630</td> <td>Tk. 250</td> <td>Tk. 200</td> <td>Tk. 650</td> <td>Tk.6805</td> </tr> <tr> <td>Grade 4</td> <td>Tk. 3800</td> <td>Tk. 1520</td> <td>Tk. 250</td> <td>Tk. 200</td> <td>Tk. 650</td> <td>Tk.6420</td> </tr> <tr> <td>Grade 5</td> <td>Tk. 3530</td> <td>Tk. 1412</td> <td>Tk. 250</td> <td>Tk. 200</td> <td>Tk. 650</td> <td>Tk.6042</td> </tr> <tr> <td>Grade 6</td> <td>Tk. 3270</td> <td>Tk. 1308</td> <td>Tk. 250</td> <td>Tk. 200</td> <td>Tk. 650</td> <td>Tk.5678</td> </tr> <tr> <td>Grade 7</td> <td>Tk. 3000</td> <td>Tk. 1200</td> <td>Tk. 250</td> <td>Tk. 200</td> <td>Tk. 650</td> <td>Tk.5300</td> </tr> <tr> <td>Apprentice</td> <td></td> <td></td> <td></td> <td></td> <td></td> <td>Tk.4180</td> </tr> </tbody> </table>							Grades	Monthly basic wage	House rent 40% of the basic	Medical allowance	Conveyance	Food	Gross monthly wage	Grade 1	Tk. 8500	Tk. 3400	Tk. 250	Tk. 200	Tk. 650	Tk.13000	Grade 2	Tk. 7000	Tk. 2800	Tk. 250	Tk. 200	Tk. 650	Tk.10900	Grade 3	Tk. 4075	Tk. 1630	Tk. 250	Tk. 200	Tk. 650	Tk.6805	Grade 4	Tk. 3800	Tk. 1520	Tk. 250	Tk. 200	Tk. 650	Tk.6420	Grade 5	Tk. 3530	Tk. 1412	Tk. 250	Tk. 200	Tk. 650	Tk.6042	Grade 6	Tk. 3270	Tk. 1308	Tk. 250	Tk. 200	Tk. 650	Tk.5678	Grade 7	Tk. 3000	Tk. 1200	Tk. 250	Tk. 200	Tk. 650	Tk.5300	Apprentice						Tk.4180
	Grades	Monthly basic wage	House rent 40% of the basic	Medical allowance	Conveyance	Food	Gross monthly wage																																																															
Grade 1	Tk. 8500	Tk. 3400	Tk. 250	Tk. 200	Tk. 650	Tk.13000																																																																
Grade 2	Tk. 7000	Tk. 2800	Tk. 250	Tk. 200	Tk. 650	Tk.10900																																																																
Grade 3	Tk. 4075	Tk. 1630	Tk. 250	Tk. 200	Tk. 650	Tk.6805																																																																
Grade 4	Tk. 3800	Tk. 1520	Tk. 250	Tk. 200	Tk. 650	Tk.6420																																																																
Grade 5	Tk. 3530	Tk. 1412	Tk. 250	Tk. 200	Tk. 650	Tk.6042																																																																
Grade 6	Tk. 3270	Tk. 1308	Tk. 250	Tk. 200	Tk. 650	Tk.5678																																																																
Grade 7	Tk. 3000	Tk. 1200	Tk. 250	Tk. 200	Tk. 650	Tk.5300																																																																
Apprentice						Tk.4180																																																																
<p>2. For the employees:</p> <table border="1"> <thead> <tr> <th>Grades</th> <th>Monthly basic wage</th> <th>House rent 40% of the basic</th> <th>Medical allowance</th> <th>Conveyance</th> <th>Food</th> <th>Gross monthly wage</th> </tr> </thead> <tbody> <tr> <td>Grade 1</td> <td>Tk. 6500</td> <td>Tk. 2600</td> <td>Tk. 250</td> <td>Tk. 200</td> <td>Tk. 650</td> <td>Tk. 10200</td> </tr> <tr> <td>Grade 2</td> <td>Tk. 5000</td> <td>Tk. 2000</td> <td>Tk. 250</td> <td>Tk. 200</td> <td>Tk. 650</td> <td>Tk. 8100</td> </tr> <tr> <td>Grade 3</td> <td>Tk. 4500</td> <td>Tk. 1800</td> <td>Tk. 250</td> <td>Tk. 200</td> <td>Tk. 650</td> <td>Tk. 7400</td> </tr> <tr> <td>Grade 4</td> <td>Tk. 3250</td> <td>Tk. 1300</td> <td>Tk. 250</td> <td>Tk. 200</td> <td>Tk. 650</td> <td>Tk. 5650</td> </tr> <tr> <td>Apprentice</td> <td></td> <td></td> <td></td> <td></td> <td></td> <td>Tk. 4320</td> </tr> </tbody> </table>							Grades	Monthly basic wage	House rent 40% of the basic	Medical allowance	Conveyance	Food	Gross monthly wage	Grade 1	Tk. 6500	Tk. 2600	Tk. 250	Tk. 200	Tk. 650	Tk. 10200	Grade 2	Tk. 5000	Tk. 2000	Tk. 250	Tk. 200	Tk. 650	Tk. 8100	Grade 3	Tk. 4500	Tk. 1800	Tk. 250	Tk. 200	Tk. 650	Tk. 7400	Grade 4	Tk. 3250	Tk. 1300	Tk. 250	Tk. 200	Tk. 650	Tk. 5650	Apprentice						Tk. 4320																						
Grades	Monthly basic wage	House rent 40% of the basic	Medical allowance	Conveyance	Food	Gross monthly wage																																																																
Grade 1	Tk. 6500	Tk. 2600	Tk. 250	Tk. 200	Tk. 650	Tk. 10200																																																																
Grade 2	Tk. 5000	Tk. 2000	Tk. 250	Tk. 200	Tk. 650	Tk. 8100																																																																
Grade 3	Tk. 4500	Tk. 1800	Tk. 250	Tk. 200	Tk. 650	Tk. 7400																																																																
Grade 4	Tk. 3250	Tk. 1300	Tk. 250	Tk. 200	Tk. 650	Tk. 5650																																																																
Apprentice						Tk. 4320																																																																
<p>C: If there are different legal minimum grades, are all workers graded correctly?</p>	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A	<p>If <b>No</b>, please give details:</p>																																																																				
<p>D: What deductions are required by law e.g. social insurance? Please state all types:</p>	<p>Unauthorised absent deduction &amp; stamp deduction BDT 10</p>																																																																					

E: Have all of these deductions been made? Please list all deductions that have/have not been made.	<input type="checkbox"/> Yes	Unauthorized absent deduction has been made
	<input checked="" type="checkbox"/> No	Stamp deduction has <b>not</b> been made.
F: Industry norm for this region: <i>(please include time period e.g. hour/week/month)</i>	Unauthorized absent deduction & stamp deduction for all type of garments industries.	

### Wages table

Wages table <a href="#">(Click here to return to Key information)</a>			
Worker Type	Process Operator (Lowest paid)	Process Operator (Average paid)	Process Operator (Highest paid)
<i>Select from individual worker records one worker from, lowest, average and highest wages and populate the boxes. Ensure comparison is made for same pay period and only uses full-time workers. See SMETA Best Practice Guidance and Measurement Criteria for completing this:</i>			
A: Pay period: <i>(State month selected)</i>	May 2016	May 2016	May 2016
B: <b>Anonymous</b> Employee Reference/Dept.	4899/ Asst. Operator	4894/ Jr. Folder	1180/ Sewing Operator
C: Employee Gender	Female	Male	Male
D: Contracted/Standard working hours: <i>(excluding OT – please include time period e.g. hour/week/month)</i>	48 hours / Month	48 hours / Month	48 hours / Month
E: Contracted /Standard work pay rate: <i>(excluding OT – please include time period e.g. hour/week/month)</i>	BDT 5,300 / month	BDT 6500 / month	BDT 7186 / month
F: Standard day overtime – hours: <i>(please include time period e.g. hour/week/month)</i>	2 hours / day	2 hours / day	2 hours / day
G: Standard day overtime – wage: <i>(please include time period e.g. hour/week/month)</i>	BDT 28.85 per hour	BDT 35.71 per hour	BDT 41.80 per hour
H: Rest day overtime –	0	0	0

hours: (please include time period e.g. hour/week/month)			
I: Rest day overtime – wage: (please include time period e.g. hour/week/month)	0	0	0
J: Statutory Holiday overtime – hours: (please include time period e.g. hour/week/month)	0	0	0
K: Statutory holiday OT – wages: (please include time period e.g. hour/week/month)	0	0	0
L: Total overtime hours: (please include time period e.g. hour/week/month)	43 hours / month	46 hours / month	46 hours / month
M: Incentives/Bonus/ Allowances etc.: (please include time period e.g. hour/week/month)	Overtime payment BDT 1240.00 Attendance bonus BDT 100 / month	Overtime payment BDT 1643.00 Attendance bonus BDT 200 / month	Overtime payment BDT 1923.00 Attendance bonus BDT 200 / month
N: Gross wages: (please include time period e.g. hour/week/month)	BDT 6640.00 / month	BDT 8343 / month	BDT 9309.00 / month
O: Social insurance and other deductions; please list which and amount.	Stamp deduction BDT 10	Stamp deduction BDT 10	Stamp deduction BDT 10
P: Actual wage paid after deduction: (please include time period e.g. hour/week/month)	BDT 6630 / month	BDT 8333 / month	BDT 9299 / month
<b>Comments:</b> (Please state here any specific reasons/circumstances that explain the lowest and highest gross wages)			
Q: Is there a defined living wage: <i>This is <u>not normally</u> minimum legal wage. If answered Yes please state amount and source of info: Please see SMETA Best Practice Guidance and Measurement Criteria.</i>			
		<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No Please specify amount/time period: Not applicable	
R: Are workers paid in a timely manner in line with local law?		<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	

<p>S: Is there evidence that equal rates are being paid for equal work:</p>	<p><input checked="" type="checkbox"/> Yes  <input type="checkbox"/> No                  Details: Salary sheet &amp; time card</p>
<p>T: How are workers paid:</p>	<p><input checked="" type="checkbox"/> Cash  <input type="checkbox"/> Cheque  <input type="checkbox"/> Bank Transfer  <input type="checkbox"/> Other                  If other explain: Not applicable</p>

## 6: Working Hours are not Excessive

### 6: Working Hours are not Excessive

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

#### ETI

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

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

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

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

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

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

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

### Current Systems and Evidence Examined

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

#### Current systems:

##### Documents checked & comments:

- Management interview
- Worker interview
- Local and national law
- 12 months time cards of sampled workers.
- Attendance register
- Complain register
- Production records

- Workers' payslip
- Production capacity plan
- Workers' contracts
- Policy on working hour

Description of Current Status:

- Through the management and workers interview; overtime is voluntary and workers are willingly doing overtime as per law.
- The facility provides time cards and wage sheets from June 2015 to May 2016 of 52 sampled workers.
- Workers are getting one day off for every seven day on average.

**Non-compliance:**

**Description of non-compliance:**

None observed

NC against ETI  NC against Local Law

**Local law or ETI requirement:**

Not applicable

**Recommended corrective action:**

Not applicable

**Objective evidence**

**observed:**

Not applicable

**Observation:**

**Description of observation:**

None observed

**Local law or ETI requirement:**

Not applicable

**Comments:**

Not applicable

**Objective evidence**

**observed:**

Not applicable

**Good Examples observed:**

**Description of Good Example (GE):**

None observed

**Objective Evidence**

**Observed:**

Not applicable

## Working hours analysis

<b>Working hours analysis</b> <i>Please include time period e.g. hour/week/month</i> <a href="#">(Go back to Key information)</a>	
<b>Systems &amp; Processes</b>	
A. What timekeeping systems are used: time card etc.	Manual Time Keeping
B: Sample Size Checked <i>(State number of worker records checked and from which weeks/months and type – should be current, peak and random/low: See SMETA Best Practice Guidance and Measurement Criteria)</i>	52 samples from May 2016 52 samples from January 2016 52 samples from September 2015
C: Do ALL workers have contracts/employment agreements?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <i>If NO, state which type of workers do NOT have contracts/employment agreements:</i>
D: Are standard/contracted working hours defined in <b>all</b> contracts/employment agreements?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <i>If NO, please state which type of workers do NOT have standard hours defined in contracts/employment agreements.</i>
E: Are there any other types of contracts/employment agreements used?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No <i>If YES, Please complete as appropriate:</i> <input type="checkbox"/> 0 hrs <input type="checkbox"/> Part time <input type="checkbox"/> Variable hrs <input type="checkbox"/> Other <i>If "Other", Please define:</i> Not applicable
<b>Standard/Contracted Hours worked</b>	
F: Do standard/contracted standard hours ever exceed the law <b>or</b> 48 hours per week?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No <i>If YES give details and comparison (local law/48 hrs week)</i>
G: What are the actual standard/contracted hours worked in sample (State per week/month)	Highest hours: 48 hours / Month Lowest hours: 40 hours / Month

H: Any local waivers/local law or permissions which allow averaging/annualised hours for this site?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	If YES, Please give details					
<b>Overtime Hours</b>							
I: Actual overtime hours worked in sample (State per day/week/month)	Highest OT hours:	12 hours / Week					
	Lowest OT hours:	02 hours / Week					
J: Range of overtime hours over all workers/or as large a sample as possible. (State per week/month and details)	_04_ to _48_ in _May 2016_(Current month) _22_ to _48_ in _January 2016_(Random 5month) _12_ to _48_ in _September 2015_(Random month)						
K: Approximate percentage of workers on highest overtime hours	___ 12 ___%						
L: Is overtime voluntary?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> Conflicting Information	Please detail evidence e.g. Wording of contract/employment agreement/handbook/worker interviews/refusal arrangements:					
		All are permanent workers and all are agreed to work 2 hours of overtime work per day voluntarily as per law.					
<b>Overtime Premiums</b>							
M: Is overtime paid at a premium?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	Please give details of normal day overtime premium as a % of <b>standard</b> wages:					
		<input type="checkbox"/> 0%	<input type="checkbox"/> 1 – 115%	<input type="checkbox"/> 116 – 124%	<input type="checkbox"/> 125 – 149%	<input type="checkbox"/> 150 – 199%	<input checked="" type="checkbox"/> 200%+
		Any other comments:					
N: ETI Code requires a prevailing standard to give greatest worker protection. If a site pays less than 125% OT premium and this is allowed under local law, are there other considerations? Please complete the boxes where relevant. Multi select is possible.	<input type="checkbox"/> No <input type="checkbox"/> Consolidated pay (May be standard wages above minimum legal wage, with no/low overtime premium) <input type="checkbox"/> Collective Bargaining agreements <input type="checkbox"/> Other <input type="checkbox"/> Not applicable						
	Please explain any checked boxes in N above e.g. detail of consolidated pay CBA or Other.						
	Not applicable						
<b>Rest Days</b>							

O: Are workers provided with 1 day off in every 7-day-period, or 2 in 14-day-period (where the law allows)?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	Maximum number of days worked without a day off (in sample):
		Not applicable
<b>Total Hours</b>		
P: Range of total hours: (Quote highest and lowest please include time period e.g. hour/week/month)	Highest total hours	48 hours per week and Max 2.00 hours OT in a week
	Lowest total hours	40 hours per week
R: If more than 60 total hours per week and this is legally allowed, are there other considerations? Please complete the boxes where relevant. Multi select is possible.	<input checked="" type="checkbox"/> <b>Overtime is voluntary</b> <input type="checkbox"/> Onsite Collective bargaining allows 60+ hours/week <input type="checkbox"/> Safeguards are in place to protect worker's health and safety <input type="checkbox"/> Site can demonstrate exceptional circumstances <input type="checkbox"/> Other reasons	
	Please explain any checked boxes in R above	
<b>Comments:</b> (please state here any specific reasons/circumstances that explain the highest working hours)		
Please add details of examples where the site has demonstrated "exceptional circumstances".		
Please give details of any appropriate safeguards in place at the time of the 60+ hours working.		
Any other comments:		

**7: No Discrimination is practiced**

<b>7: No Discrimination is Practiced</b> <a href="#">(Click here to return to NC-table)</a>
--

**ETI**

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

**Current Systems and Evidence Examined**

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

**Current systems:**

Documents checked & comments:

- Management interview
- Worker interview
- Local and national law
- Personal files
- Compensation records
- Termination & retirement records
- Training records
- Complain register

Description of Current Status:

- Through the document review, management interview and workers interview; no discrimination was found in hiring, compensation, access to training, promotion, termination or retirement.
- The factory provides the same pay to male/female employee.
- No record or complain was found of pregnancy test in recruiting the new workers.

**Non-compliance:**

**Description of non-compliance:**

None observed

NC against ETI     NC against Local Law

**Local law or ETI requirement:**

Not applicable

**Recommended corrective action:**

Not applicable

**Objective evidence observed:**

Not applicable

**Observation:**

<p><b>Description of observation:</b> None observed</p> <p><b>Local law or ETI requirement:</b> Not applicable</p> <p><b>Comments:</b> Not applicable</p>	<p><b>Objective evidence observed:</b> Not applicable</p>
---	---

<p align="center"><b>Good Examples observed:</b></p>	
<p><b>Description of Good Example (GE):</b> None observed</p>	<p><b>Objective Evidence Observed:</b> Not applicable</p>

## 8: Regular Employment Is Provided

### 8: Regular Employment Is Provided

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

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

#### ETI

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

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

### 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:

##### Documents checked & comments:

- Management interview
- Worker interview
- Local and national law
- Workers' personal files and service books
- Policies and procedures
- Wage sheets

##### Description of Current Status:

- Through the personal files review, facility was not properly maintaining service books for all workers.
- Work performed is on the basis of recognized employment relationship established through national law and practice

Non-compliance:	
<p><b>Description of non-compliance:</b> None observed.</p> <p><input type="checkbox"/> NC against ETI   <input type="checkbox"/> NC against Local Law</p> <p><b>Local law or ETI requirement:</b> Not Applicable</p> <p><b>Recommended corrective action:</b> Not Applicable</p> <p><b>Corrective Action Time Frame:</b> Not Applicable</p>	<p><b>Objective evidence observed:</b></p> <p>Not Applicable</p>

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

Good Examples observed:	
<p><b>Description of Good Example (GE):</b> None observed</p>	<p><b>Objective Evidence Observed:</b> Not applicable</p>

**8A: Sub-Contracting and Home working:**

**8A: Sub-Contracting and Home working**

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

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

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

*Note to auditor on home working:*

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

**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:**

Documents checked & comments:

- Management interview
- Worker interview
- Production capacity plan
- Goods in/out register
- Production process of the factory
- Policies and procedures

Description of Current Status:

- Through the management interview, workers interview; facility is doing all production process in factory premises.
- Verified through document review, factory tour, management interview and employee interview that there is no sub-contracting and no Home-working was used by this factory.

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

<i>Process Subcontracted</i>	<i>Process 1</i>	<i>Process 2</i>
<i>Name of factory</i>		
<i>Address</i>		

<i>Process Subcontracted</i>	<i>Process 3</i>	<i>Process 4</i>
<i>Name of factory</i>		
<i>Address</i>		

<i>Process Subcontracted</i>	<i>Process 5</i>	<i>Process 6</i>
<i>Name of factory</i>		
<i>Address</i>		

Non-compliance:	
<p><b>Description of non-compliance:</b> None observed</p> <p><input type="checkbox"/> NC against ETI   <input type="checkbox"/> NC against Local Law</p> <p><b>Local law or ETI requirement:</b> Not applicable</p> <p><b>Recommended corrective action:</b> Not applicable</p>	<p><b>Objective evidence observed:</b> Not applicable</p>

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

Good Examples observed:	
<p><b>Description of Good Example (GE):</b> None observed</p>	<p><b>Objective Evidence Observed:</b> Not applicable</p>

### Summary of sub-contracting – if applicable

Summary of sub-contracting – if applicable	
A: If sub-contractors are used, is there evidence this has been agreed with the main client?	<input type="checkbox"/> Yes <input type="checkbox"/> No If <b>Yes</b> , summarise details: Not applicable
B: Number of sub-contractors/agents used	Not applicable
C: Is there a site policy on sub-contracting?	<input type="checkbox"/> Yes <input type="checkbox"/> No If <b>Yes</b> , summarise details: Not applicable
D: What checks are in place to ensure no child labour is being used and work is safe?	Not applicable
E: What processes are sub-contracted?	Not applicable

### Summary of home working – if applicable

Summary of home working – if applicable			
F: If home working is being used, is there evidence this has been agreed with the main client?	<input type="checkbox"/> Yes <input type="checkbox"/> No If <b>Yes</b> , summarise details: Not applicable		
G: Number of home workers	Male: Not applicable	Female: Not applicable	Total: Not applicable
H: Are home workers employed direct or through agents?	<input type="checkbox"/> Directly <input type="checkbox"/> Through Agents Not applicable		
I: If through agents, number of agents	Not applicable		
J: Is there a site policy on home working?	<input type="checkbox"/> Yes <input type="checkbox"/> No Not applicable		
K: How does site ensure worker hours and pay meet local laws for home workers?	Not applicable		
L: What processes are carried out by home workers?	Not applicable		
M: Are written agreements in place for home workers that include regular employment?	<input type="checkbox"/> Yes <input type="checkbox"/> No Not applicable		

N: Are full records available at the site?	<input type="checkbox"/> Yes <input type="checkbox"/> No Not applicable
--	---

## 9: No Harsh or Inhumane Treatment is allowed

### 9: No Harsh or Inhumane Treatment is Allowed

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

#### ETI

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

#### 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:

##### Documents checked & comments:

- Management interview
- Worker interview
- Complain register
- Policies and procedures
- Facility visit

##### Description of Current Status:

- Through the management and workers' interview, it was noted that no physical abuse or discipline happened in the factory and the disciplinary procedure of the factory is verbal warning and education.
- The factory established anti-harsh 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.
- No complain was found in complain register related to the threat of physical abuse, sexual or other harassment and verbal abuse or other forms of intimidation.

#### Non-compliance:

##### **Description of non-compliance:**

None observed

NC against ETI    NC against Local Law

##### **Local law or ETI requirement:**

Not applicable

##### **Recommended corrective action:**

Not applicable

##### **Objective evidence observed:**

Not applicable

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

Good Examples observed:	
<b>Description of Good Example (GE):</b> None observed	<b>Objective Evidence Observed:</b> Not applicable

## 10 A: Entitlement to Work and Immigration

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

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

#### Additional Elements

- 10A1 Only workers with a legal right to work shall be employed or used by the supplier.
- 10A2 All workers, including employment agency staff, must be validated by the supplier for their legal right to work by reviewing original documentation.
- 10A3 Employment agencies must only supply workers registered with them.
- 10A4 The supplier shall implement processes to enable adequate control over agencies with regards the above points and related legislation.

#### 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:

##### Documents checked & comments:

- Management interview
- Worker interview
- Employment records
- Appointment letter
- Personal files

##### Description of Current Status:

- Through the management; only workers with a legal right to work shall be employed or used by the factory.
- There was no agency staffs, employment agencies and immigration workers found in the factory.

#### Non-compliance:

##### Description of non-compliance:

None observed

NC against ETI  NC against Local Law

##### Local law or ETI requirement:

Not applicable

##### Recommended corrective action:

Not applicable

##### Objective evidence

observed:

Not applicable

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

Good examples observed:	
<p>Description of Good Example (GE): None observed</p>	<p><b>Objective Evidence Observed:</b> Not applicable</p>

## 10 B 2: Environment 2-pillar

### 10. Other issue areas 10 B 2: Environment 2-pillar

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

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

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

10B2. 2 The supplier should be aware of and comply with their end clients' environmental requirements.

Note for auditors and readers, This is not a full environmental assessment but a check on basic systems and management approach.

### Current Systems and Evidence Examined

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

#### Current systems:

##### Documents checked & comments:

- Management interview
- Worker interview
- Environment related licence, certificates and permission
- Policies and procedures

##### Description of Current Status:

- Through the document review and management interview; facility has environments related permission and certificates from local concern authority.
- Facility has written environment policy and implementation.

### Non-compliance:

#### 1. Description of non-compliance:

It was observed during facility visit that wastages were kept without segregation in open space though there was designated wastage area available.

NC against ETI/Additional Elements       NC against Local Law

#### Local law and/or ETI/Additional Elements requirement:

In accordance with Bangladesh Labour Law 2006, Section-54 & ETI Base Code-10B-2.2

Effective arrangements shall be made in every establishment for the disposal of wastes and effluents due to the manufacturing process carried on therein & the supplier should be aware of and comply with their end clients' environmental requirements.

#### Objective evidence observed:

1. Facility visit

<p><b>Recommended corrective action:</b> It is agreed by the facility management that they would keep wastes segregated by its type and hazard in wastage area.</p> <p><b>Corrective Action Time Frame:</b> 30 days.</p>	
--	--

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

Good examples observed:	
<p><b>Description of Good Example (GE):</b> None observed</p>	<p><b>Objective Evidence Observed:</b> Not applicable</p>

## Worker Interview Summary

### Worker Interview Summary

Worker Interview Summary		
A: Were workers aware of the audit?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	
B: Were workers aware of the code?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	
C: Number of group interviews: <i>(Please specify number and size of groups. Please see SMETA Best Practice Guidance and Measurement Criteria)</i>	32 employees in 8 groups (8X4)	
D: Number of individual interviews <i>(Please see SMETA Best Practice Guidance and Measurement Criteria)</i>	Male: 08	Female: 12
E: Total number of interviewed workers <i>(Please see SMETA Best Practice Guidance and Measurement Criteria)</i>	Male: 20	Female: 32
F: Interviews were done in private and the confidentiality of the interview process was communicated to the workers?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	
G: In general, what was the attitude of the workers towards their workplace?	<input checked="" type="checkbox"/> Favourable <input type="checkbox"/> Non-favourable <input type="checkbox"/> Indifferent	
H: What was the most common worker complaint?	Nil	
I: What did the workers like the most about working at this site?	Wages are always paid on time and working environment is favourable. Workers get all their benefits on time.	
J: Any additional comment(s) regarding interviews:	Nil	
K: Attitude of workers to hours worked:	Good	

#### Agency Workers (if applicable)

*(workers sourced from a local agent who are not directly paid by the site)*

A: Number of agencies used	Not applicable
----------------------------	----------------

(average):	
B: Were agency workers' age/pay/hours included within scope of this audit	<input type="checkbox"/> Yes <input type="checkbox"/> No Not applicable
C: Were sufficient documents for agency workers available for review?	<input type="checkbox"/> Yes <input type="checkbox"/> No Not applicable

## Other findings

Other Findings Outside the Scope of the Code
None

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

## Photo Form

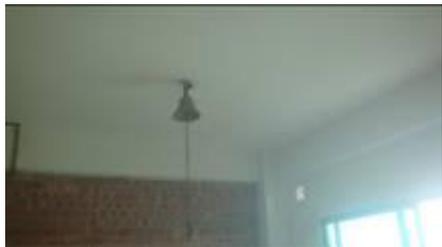
### Non compliance pictures:

		
Diesel drums are kept without secondary containment(NC Picture-Issue No-3)	Aisle was found partially blocked(NC Picture-Issue No-4)	Diesel drums are kept without secondary containment(NC Picture-Issue No-5)
		
Wastes are kept without segregation(NC Picture- Issue No-6)		

### General Site Tour Photos:

		
Building overview-1	Building overview-2	Main entrance & parking

		
Cutting section	Sewing section	Pressing section
		
Quality section	Inspection section	Finishing section
		
Packing section	Threads sucking section	Accessories store
		
Exhaust fan	Firefighting equipment	Exit sign

		
Pest control machine	Fire alarm switch	Visual alarm
		
Fire extinguisher	Posted risk assessment	Gong bell
		
Drinking water point	Notice board	Evacuation plan
		
Grievance box	Toilet	First aid box

		
Child care room	Danger sign posted	Doctors room
		
Dining hall	Generator	Boiler
		
Fabric store	Finished goods store	Posted ETI Base Code

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:

[Click here for A & AB members:](#)

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

[Click here for B members:](#)

[http://www.surveymonkey.com/s.aspx?sm=d3vYsCe48fre69DRqIY\\_2brq\\_3d\\_3d](http://www.surveymonkey.com/s.aspx?sm=d3vYsCe48fre69DRqIY_2brq_3d_3d)

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:

[Click here for A & AB members:](#)

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

Click here for B members:

[http://www.surveymonkey.com/s.aspx?sm=d3vYsCe48fre69DRgIY\\_2brg\\_3d\\_3d](http://www.surveymonkey.com/s.aspx?sm=d3vYsCe48fre69DRgIY_2brg_3d_3d)



For more information on Sedex please go to [www.sedexglobal.com](http://www.sedexglobal.com)  
or email [auditing@sedexglobal.com](mailto:auditing@sedexglobal.com)

---