

---

Auditee :	<b>Russel Garments</b>
Audit Date From :	<b>31/03/2021</b>
Audit Date To :	<b>01/04/2021</b>
Expiry Date of the Audit :	<b>Please refer to the producer profile in the amfori BSCI platform</b>
Auditing Company :	<b>TUEV Rheinland</b>
Auditor's Name(s) :	<b>Ikbal Hossain(Lead), Fatema Shahinur Jahan, Shawly Chowdhury</b>
Auditing Branch (if applicable) :	<b>TUV Rheinl. Bangladesh</b>

---



This is an extract of the on line Audit Report. The complete report is available in the amfori BSCI Platform.  
Access [www.bsciplatform.org](http://www.bsciplatform.org), for entitled users only.

All rights reserved. No part of this publication may be reproduced, translated, stored in a retrieval system, or transmitted, in any form or by any means electronic, mechanical, photocopying, recording or otherwise, be lent, re-sold, hired out or otherwise circulated without the amfori consent.

This is an extract of the amfori BSCI Audit Report, which is available in the amfori BSCI Platform. © amfori, 2018 - The English version is the legally binding One.

Rating Definitions



Rating	A combination of ratings per Performance Area where:	Consequence																																							
<p><b>A</b> <b>Very Good</b></p>	<ul style="list-style-type: none"> <li>• Minimum 7 Performance Areas rated A</li> <li>• No Performance Areas rated C, D or E</li> </ul> <p>These are three examples:</p> <table border="1" style="width: 100%; text-align: center;"> <tr><td>A</td><td>A</td><td>A</td><td>A</td><td>A</td><td>A</td><td>A</td><td>A</td><td>A</td><td>A</td><td>A</td><td>A</td><td>A</td></tr> <tr><td>A</td><td>A</td><td>A</td><td>A</td><td>A</td><td>A</td><td>A</td><td>A</td><td>A</td><td>A</td><td>B</td><td>B</td><td>B</td></tr> <tr><td>A</td><td>A</td><td>A</td><td>A</td><td>A</td><td>A</td><td>A</td><td>B</td><td>B</td><td>B</td><td>B</td><td>B</td><td>B</td></tr> </table>	A	A	A	A	A	A	A	A	A	A	A	A	A	A	A	A	A	A	A	A	A	A	A	B	B	B	A	A	A	A	A	A	A	B	B	B	B	B	B	<p>The auditee has the level of maturity to maintain its improvement process without the need for a follow-up audit.</p>
A	A	A	A	A	A	A	A	A	A	A	A	A																													
A	A	A	A	A	A	A	A	A	A	B	B	B																													
A	A	A	A	A	A	A	B	B	B	B	B	B																													
<p><b>B</b> <b>Good</b></p>	<ul style="list-style-type: none"> <li>• Maximum 3 Performance Areas rated C</li> <li>• No Performance Areas rated D or E</li> </ul> <p>These are three examples:</p> <table border="1" style="width: 100%; text-align: center;"> <tr><td>A</td><td>A</td><td>A</td><td>A</td><td>A</td><td>A</td><td>B</td><td>B</td><td>B</td><td>B</td><td>B</td><td>B</td><td>B</td></tr> <tr><td>A</td><td>A</td><td>A</td><td>A</td><td>A</td><td>B</td><td>B</td><td>B</td><td>B</td><td>B</td><td>B</td><td>B</td><td>C</td></tr> <tr><td>B</td><td>B</td><td>B</td><td>B</td><td>B</td><td>B</td><td>B</td><td>B</td><td>B</td><td>B</td><td>C</td><td>C</td><td>C</td></tr> </table>	A	A	A	A	A	A	B	B	B	B	B	B	B	A	A	A	A	A	B	B	B	B	B	B	B	C	B	B	B	B	B	B	B	B	B	B	C	C	C	<p>The auditee has the level of maturity to maintain its improvement process without the need for a follow-up audit.</p>
A	A	A	A	A	A	B	B	B	B	B	B	B																													
A	A	A	A	A	B	B	B	B	B	B	B	C																													
B	B	B	B	B	B	B	B	B	B	C	C	C																													
<p><b>C</b> <b>Acceptable</b></p>	<ul style="list-style-type: none"> <li>• Maximum 2 Performance Areas rated D</li> <li>• No Performance Areas rated E</li> </ul> <p>These are three examples:</p> <table border="1" style="width: 100%; text-align: center;"> <tr><td>A</td><td>A</td><td>A</td><td>A</td><td>A</td><td>A</td><td>A</td><td>A</td><td>A</td><td>C</td><td>C</td><td>C</td><td>C</td></tr> <tr><td>A</td><td>A</td><td>A</td><td>A</td><td>A</td><td>B</td><td>B</td><td>B</td><td>B</td><td>C</td><td>C</td><td>C</td><td>D</td></tr> <tr><td>C</td><td>C</td><td>C</td><td>C</td><td>C</td><td>C</td><td>C</td><td>C</td><td>C</td><td>C</td><td>C</td><td>D</td><td>D</td></tr> </table>	A	A	A	A	A	A	A	A	A	C	C	C	C	A	A	A	A	A	B	B	B	B	C	C	C	D	C	C	C	C	C	C	C	C	C	C	C	D	D	<p>The auditee needs follow up to support its progress. Following the completion of the audit, the auditee develops a Remediation Plan within 60 days.</p>
A	A	A	A	A	A	A	A	A	C	C	C	C																													
A	A	A	A	A	B	B	B	B	C	C	C	D																													
C	C	C	C	C	C	C	C	C	C	C	D	D																													
<p><b>D</b> <b>Insufficient</b></p>	<ul style="list-style-type: none"> <li>• Maximum 6 Performance Areas rated E</li> </ul> <p>These are three examples:</p> <table border="1" style="width: 100%; text-align: center;"> <tr><td>A</td><td>A</td><td>A</td><td>A</td><td>A</td><td>A</td><td>A</td><td>A</td><td>A</td><td>A</td><td>D</td><td>D</td><td>D</td></tr> <tr><td>A</td><td>A</td><td>A</td><td>B</td><td>B</td><td>B</td><td>C</td><td>C</td><td>C</td><td>D</td><td>D</td><td>D</td><td>E</td></tr> <tr><td>D</td><td>D</td><td>D</td><td>D</td><td>D</td><td>D</td><td>D</td><td>E</td><td>E</td><td>E</td><td>E</td><td>E</td><td>E</td></tr> </table>	A	A	A	A	A	A	A	A	A	A	D	D	D	A	A	A	B	B	B	C	C	C	D	D	D	E	D	D	D	D	D	D	D	E	E	E	E	E	E	<p>The auditee needs follow up to support its progress. Following the completion of the audit, the auditee develops a Remediation Plan within 60 days.</p>
A	A	A	A	A	A	A	A	A	A	D	D	D																													
A	A	A	B	B	B	C	C	C	D	D	D	E																													
D	D	D	D	D	D	D	E	E	E	E	E	E																													
<p><b>E</b> <b>Unacceptable</b></p>	<ul style="list-style-type: none"> <li>• Minimum 7 Performance Areas rated E</li> </ul> <p>These are three examples:</p> <table border="1" style="width: 100%; text-align: center;"> <tr><td>A</td><td>A</td><td>A</td><td>A</td><td>A</td><td>A</td><td>E</td><td>E</td><td>E</td><td>E</td><td>E</td><td>E</td><td>E</td></tr> <tr><td>A</td><td>A</td><td>B</td><td>B</td><td>C</td><td>D</td><td>E</td><td>E</td><td>E</td><td>E</td><td>E</td><td>E</td><td>E</td></tr> <tr><td>E</td><td>E</td><td>E</td><td>E</td><td>E</td><td>E</td><td>E</td><td>E</td><td>E</td><td>E</td><td>E</td><td>E</td><td>E</td></tr> </table>	A	A	A	A	A	A	E	E	E	E	E	E	E	A	A	B	B	C	D	E	E	E	E	E	E	E	E	E	E	E	E	E	E	E	E	E	E	E	E	<p>amfori BSCI Participants shall closely oversee the auditee's progress as the producer may represent a higher risk than other business partners.</p>
A	A	A	A	A	A	E	E	E	E	E	E	E																													
A	A	B	B	C	D	E	E	E	E	E	E	E																													
E	E	E	E	E	E	E	E	E	E	E	E	E																													
<p><b>Zero Tolerance</b></p>	<p>A Zero Tolerance issue was identified (see amfori BSCI System Manual Part V – Annex 5: amfori BSCI Zero Tolerance Protocol)</p>	<p>Immediate actions are required. The amfori BSCI Zero Tolerance Protocol is to be followed.</p>																																							

**Producer : Russel Garments**

DBID : 13928 and Audit Id : 207371

Audit Date : 31/03/2021

Audit Type : Full Audit

**Main Auditee Information**

Name of producer :	<b>Russel Garments</b>		
DBID number :	<b>13928</b>		
Audit ID :	<b>207371</b>		
Address :	<b>56/1, S. M. Maleh Road, Narayanganj</b>		
Province :	<b>Dhaka</b>	Country :	<b>Bangladesh</b>
Management Representative :	<b>Md. Jashim Uddin</b>		
Contact person:	<b>Mr. Md. Jashim Uddin</b>	Sector :	<b>Non-Food</b>
Industry Type :	<b>Textiles, clothing, leather</b>	Product group :	<b>Apparel</b>
Product Type :	<b>Woven Garments (Top and Bottom)</b>		

**Audit Details**



Audit Range :	<input checked="" type="checkbox"/> Full Audit	<input type="checkbox"/> Follow-up Audit	
Audit Scope :	<input checked="" type="checkbox"/> Main Auditee	<input type="checkbox"/> Main Auditee & Farms	
Audit Environment :	<input checked="" type="checkbox"/> Industrial	<input type="checkbox"/> Agricultural	<input type="checkbox"/> Small Producer
Audit Announcement :	<input type="checkbox"/> Fully-Announced	<input type="checkbox"/> Fully-Unannounced	<input checked="" type="checkbox"/> Semi-Announced
Random Unannounced Check (RUC) :	No		
Audit extent (if applicable) :	Limited scope (one production unit)		
Audit interferences or contingencies (if applicable) :	none		
Overall rating :	C		
Need of follow-up :	Yes	If YES, by : 01/04/2022	

Rating per Performance Area (PA)												
PA 1	PA 2	PA 3	PA 4	PA 5	PA 6	PA 7	PA 8	PA 9	PA 10	PA 11	PA 12	PA 13
C	D	A	A	C	A	A	A	A	A	A	A	C

**Executive summary of audit report**

The full audit was conducted at "Russel Garments." is a legally registered proprietorship company based on 100% Bangladeshi investment. The facility is situated at 56/1, S. M. Maleh Road, Narayanganj, Dhaka, Bangladesh. The facility has been established in 1984 and facility has started its operation from the year of 1984.

Currently total 1760 permanent employees including all (i.e process workers, senior management members, mid-level management staff, administrative staffs). All the employees were recruited as permanent except 08 security guards. No piece rated employee was working at the factory. The factory has paid in bank transfer to the workers and other staffs/officers. The pay period was an English calendar month. All employees working time have been recorded by an electronic timekeeping system. The facility remains open from Saturday to Thursday while Friday is a weekly day off. General working hours start from 8:00 AM to 5:00 PM including 01 hour personal break. No sub-contract labor found in this factory. Facility has no peak season; order remains round the year same as reported by facility management. The production capacity of the facility is about 5,00,000 pieces per month. Total land area occupied by this facility is about 20,000 square feet and production area approx. 196514.25 square feet. The company engaged in the manufacturing of all types of woven (top & bottom) garments. The manufacturing process is as follows: Cutting > Sewing > Finishing (Iron to packing).

Currently, factory management is using 01 building. Description of the buildings are as follows:  
 Building-1 (10 storied with a basement floor): Basement Floor: Fabric warehouse, Accessories storage area, Generator room, Fire pump room, Left over fabrics, Wastage storage room. Ground Floor: Office, Childcare room, Generator room, Sub station room, Childcare room & idle machine area, wash goods received area. About 30% areas are occupied by a commercial bank (Shah Jalal Islami Bank Ltd.) under same ownership. 1st Floor: Finishing section, Boiler, Spot removing room, Packing area & Office. 2nd Floor: Cutting section, Finished goods area, Office & Doctors room. 3rd Floor: Office, Maintenance room & Sewing section. 4th Floor: Office, Sewing section, Finishing section, Spot removing room & Boiler room. 5th Floor: Office, Sewing section, Finishing section, Spot removing room & Boiler room. 6th Floor: Dining hall, Canteen, Female prayer room, Training room, Lab room & Left over room. 7th Floor: Office and empty floor due to renovation work  
 8th Floor: Sample section, empty Carton store. 9th Floor: Sewing section, finishing section, cutting section, boiler  
 Rooftop: Fully vacant

**Audit Process:**  
 The audit has been conducted in 02 days (31 March 2021 and 01 April 2021) as per "as audited plan". On the 1st day of audit (31 March 2021), 03 auditors arrived in the factory at 09:30 AM. In accordance with the internal protocol of TÜV Rheinland Bangladesh Pvt. Ltd. (applicable for semi-announced audits) all auditors took a short tour of the auditee's factory as mentioned at the "Audit Plan (Before Audit)". An opening meeting was held with the factory management and workers committee members, immediately after the short plant tour as per "Audit Plan (As Audited)". During opening meeting, auditors explained about the audit scope & process and a short presentation about the amfori BSCI, its upgrade system, and auditing approach. After the opening meeting, a floor visit was conducted with factory management. During floor visit, no major deviation found and workplace found in satisfactory condition. Documents list was provided and supplied documents were reviewed. For workers interview, the auditors selected workers from different production processes and different age groups & gender. Workers were comfortable with the management and with the working environment. Auditors verified documents from March-2020 to till audit date as available in the factory. On 2nd day of audit, 02 auditors arrived in the factory and continuing the audit as per "As Audited Plan". The total audit procedure was completed in two days as per "As Audited Plan".  
 Management Cooperation: Facility management was cooperative with the audit team throughout the audit. They grant the auditors access to all areas, let auditors perform worker interview in separate confidential area without their presence, take photos, provide all required information and documents promptly. Factory management was positive to provide the required documents, which was needed to verify during the audit. Furthermore, they have agreed with the non-compliance issues, which is identified during this full audit.

**Closing meeting:**  
 At the end of the audit process, a closing meeting was held on 01 April 2021 to discuss all the findings raised in the findings report with the factory management. Mr. Md. Jashim Uddin - AGM (HR, Admin & Compliance) was responsible for the findings report. Onsite findings report was issued in English language as factory management had a good idea about English. During the closing meeting, factory management agreed with all the findings and signed the findings report.

**Audit Team and APSCA Registration Number:**  
 Lead Auditor: Ikbal Hossain - RA 21701992  
 Member Auditor: Shawly Chowdhury - ASCA 21701993  
 Member Auditor: Fatema Shahinur Jahan - RA 21701594

**Remarks:**

(i) Another one factory (extension unit of audited factory under same licenses and management located at another place) which was not in audit scope based on audit request. Factory name: Russel Garments [internally called Russel Garments (Unit-2)] Factory Address: East Delpara, Fatullah, Narayanganj. Product Type: Woven Tops Distance: Approx. 5.0 KM from audited factory (ii) Factory has one skill development training centre to develop skill "fresher to machine operator" under supervision of "Bangladesh Technical Education Board (BTEB), Dhaka". After successfully completion of training program (approx. 2 months), trained workers got certificate from "BTEB" and eligible to work inside and outside of the factory as machine operator. This training centre fully separated from the production activities, however all the financial cost is (monthly allowances BDT. 5975 and training arrangement cost) provided by the audited factory.

(iii) #COVID19: The factory remains closed from 28 March 2020 to 26 April 2020 due to the spread of COVID-19 virus through community transmission. The owner of the audited facility is facing losses due to the current crisis. As a result, hampered overall production and business consequences. In such a situation, the interests of both the parties, government, owners, and workers have taken a common decision that the factory management will provide 65% salary for the non-working days instead of the full amount and 100% salary for the working days of April 2020.

(iv) Below documents & photos are not applicable for this factory:

1. Agency labor contract
2. Environmental licenses
3. Collective bargaining agreements
4. Dormitories
5. High-risk health and safety areas
6. Inconsistencies between time and production records

**Ratings Summary**



Auditee's background information			
Auditee's name :	Russel Garments	Legal status :	Proprietorship
Local Name :	রাসেল গার্মেন্টস	Year in which the auditee was founded :	1984
Address :	56/1, S. M. Maleh Road,	Contact person (please select) :	Mr. Md. Jashim Uddin
Province :	Dhaka	Contact's Email :	info.rg@osmangroupbd.com
City :	Narayanganj	Auditee's official language(s) for written communications :	Bengali (Local Language)
Region :	South Asia	Other relevant languages for the auditee :	English
Country :	Bangladesh	Website of auditee (if applicable) :	www.osmangroupbd.com
GPS coordinates :	23.615668220159495, 90.5042069874592	Total turnover (in Euros) :	114126771.98
Sector :	Non-Food	Of which exports % :	100.00
Industry :	Textiles, clothing, leather	Of which domestic market % :	0.00
If other, please specify :	None	Production volume :	500000 pieces per month
Product Group :	Apparel	Production cost calculation :	Yes
If other, please specify :	None	Lost time injury calculation cost :	No
Product Type :	Woven Garments (Top and Bottom)		

Auditee's employment structure at the time of the audit			
Total number of workers :	1760	Total number of workers in the production unit to be monitored (if applicable) :	0
	MALE WORKERS	FEMALE WORKERS	
Permanent workers	761	999	
Temporary workers	0	0	
In management positions	24	1	
Apprentices	0	0	
On probation	65	101	
With disabilities	4	2	
Migrants (national citizens)	0	0	
Migrants (foreign citizens)	0	0	
Workers on the permanent payroll	753	999	
Production based workers	0	0	
With shifts at night	11	0	
Unionised	0	0	
Pregnant	-	16	
On maternity leave	-	4	

**Finding Report**



**Performance Area 1 : Social Management System and Cascade Effect**

Full Audit [Audit Id - 207371] Audit Date: 31/03/2021 PA Score: C

Deadline date:30/03/2022

**GOOD PRACTICES:**

None Observed

**AREAS OF IMPROVEMENT:**

Overall observation revealed that the auditee has adapted a management system in the organization which is compliant with amfori BSCI Code of Conduct. Mr. Md. Jashim Uddin - AGM (HR, Admin & Compliance) has been nominated as the amfori BSCI Management Representative whose primary responsibility is to implement and ensure the validation of amfori BSCI values in the organization. Facility has developed a business partner selection and monitoring procedure. Facility periodically reviews the performance of their significant business partners and monitors their social performance. The auditee has calculated the cost of production realistically by including delivery time, labor cost, and also through calculation of lost time injury cost through review of accident records. Moreover facility has developed a contingency plan in order to avoid any unanticipated delays or production interrupts. Despite all these, executional gaps and shortfalls had been identified.

- 1.1 - Facility has develop social policy and procedure to implement amfori BSCI COC in its activities and assigned personnel for monitoring. However, gaps have been identified in management system, supplier section and monitoring, survey, minimum wages, living wages calculation, risk assessment, machine safety, PPE etc.
- 1.3 - (i) Facility has agreement with third party security service provider (Josna Security Services Ltd.) for security activities. Facility keep record daily in time and out time . Facility pay to service provider fixed rate monthly wages on agreed work but there was no monitoring on individual workers monthly wages are meeting their contract and legal requirement. (ii) Factory management did not communicate "BSCI CoC" and "BSCI ToI" to its 13 out of 20 significant business partners. Also, factory did not monitor the social performance of their 13 out of 20 significant business partners and no monitoring plan was available.

**Remarks from Auditee:**

No Remarks

**Performance Area 2 : Workers Involvement and Protection**

Full Audit [Audit Id - 207371] Audit Date: 31/03/2021 PA Score: D

Deadline date:31/12/2021

**GOOD PRACTICES:**

None Observed

**AREAS OF IMPROVEMENT:**

Overall observation revealed that the management of the company had adapted a process of bringing the workers and management into sync and thereby improves work-place efficiency. A complaint box had been installed in the Toilet area so that the workers are able to report their problems and receive respective solutions in confidentiality. Factory has established sound management practice which involves worker and their representatives for information exchange on workplace issues. Facility also arranges training on regular interval to increase the competency among manager, workers and workers representatives to successfully anticipate their responsibilities in business operation. However, some shortfalls had been observed in implementation.

- 2.3 - Facility shared company rules, regulation, legal rights, benefit etc. through orientation training with new workers during recruitment. After that no refresher training program was available with existing workers to share updated company rules, regulation, legal rights, benefit etc. A majority of the interviewed workers did not have clear idea about long term service benefit of the company. Moreover, during resign and lefty workers list and personal file review from last 3 month it is observed that total 4 workers who have completed more than 5 years of job period had left their job without giving notice. So, they were not getting long term service benefit, though facility had given notice to them according to law.
- 2.4 - Through workers interview that randomly checked 19 out 36 interviewed employees of the factory were found not well-aware about the requirements of amfori BSCI Code of Conduct. Facility management has provided last training to the workers dated on March 02, 2021.
- 2.5 - (i) Facility has developed a policy for internal grievance management, however they did not develop a policy for their external grievance management system. (i) Factory did not conduct satisfaction survey among the complainant workers (who gave the complaint) and the cases that have been resolved through grievance management system.

**Remarks from Auditee:**

No Remarks

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

Full Audit [Audit Id - 207371] Audit Date: 31/03/2021 PA Score: A

Deadline date:

**GOOD PRACTICES:**

None Observed

**AREAS OF IMPROVEMENT:**

It appeared from overall observation, that the company management was sufficiently respectable towards workers' rights and their decisions of whether or not to join a Worker's Union. The management had not put up any barrier or obligation for the workers to join any trade-union, yet no trade-union had been formed by the workers. The facility has formed participation committee (PC) through election process in December 24, 2020. The Participation-Committee had been formed through a fair election with the workers which held regular periodical meetings. The facility has system to meet periodically with workers representative to discuss different issues. Last meeting was held on February 24, 2021. According to the company policy, no restrictions are set on interactions between workers or on their movement.

**Remarks from Auditee:**



<b>Performance Area 4 : No Discrimination</b>	
Full Audit [Audit Id - 207371] Audit Date: 31/03/2021 PA Score: A	Deadline date:
<b>GOOD PRACTICES:</b> None Observed	
<b>AREAS OF IMPROVEMENT:</b> Overall observation proved that that company management had fulfilled the general terms and conditions of the performance area. Internal company policies & procedures have been set up in a manner which meets the fundamental conditions of this area. It can be concluded that the facility does not practice discrimination in hiring, promoting or offering the training opportunities to the workers as per the company's internal policy. Written procedure on disciplinary action has been set to preclude any misconduct which may take place amongst employees of different grade. Facility provides training to the mid-level management on disciplinary actions, discrimination, anti-harassment, anti-corruption and grievances on regular basis.	
<b>Remarks from Auditee:</b>	
<b>Performance Area 5 : Fair Remuneration</b>	
Full Audit [Audit Id - 207371] Audit Date: 31/03/2021 PA Score: C	Deadline date:30/03/2022
<b>GOOD PRACTICES:</b> None Observed	
<b>AREAS OF IMPROVEMENT:</b> The overall observation indicates that auditee has ensured provision of minimum wage to the workers as per law. Auditors covered the wage records in audit scope from March 2020 till February 2021. Three months wage records of randomly selected workers for June 2020, October 2020 and February 2021 were reviewed by the Auditors. Facility follows the RMG wage gazette, minimum wage is BDT 8000. They also hire workers for training with salary 5995 BDT per month. The sample comprised of 36 records from different areas of the facility. The facility has assigned a dedicated team for handling workers payroll and other benefits. The workers received their monthly wage is paid through bank transfer. Workers' wages are calculated on monthly basis and payment cycle is determined by the calendar month. Their compliance team is responsible for monitoring the overall requirements of this performance area. However, gaps have been identified in implementation.  5.1 - Through review of the contractual security guard agreement and through worker & management interviews, it was noted that the factory did not ensure monthly minimum wages to the contracted security guards according to their grade declared in the minimum wage gazette. For example, the facility's contracted wage is 8375/- BDT instead of 10775/-BDT for grade-03 workers . As per interview with security guard and management, the security guards are paid 7700/-BDT instead of 10775/-BDT for monthly wages.  5.4 - Though the factory has conducted several surveys for calculating living wage for this region but did not take proper step for calculating standard food basket, market surveys, housing cost etc. As a result living wage was not calculated properly to identify the potential gap between present local minimum wage and living wage and no action plan is in place to fill the gaps.	
<b>Remarks from Auditee:</b> No Remarks	
<b>Performance Area 6 : Decent Working Hours</b>	
Full Audit [Audit Id - 207371] Audit Date: 31/03/2021 PA Score: A	Deadline date:30/03/2022
<b>GOOD PRACTICES:</b> None Observed	
<b>AREAS OF IMPROVEMENT:</b> Overall observation proved that company management had fulfilled the general terms and conditions of the performance area. It was noted that the auditee has established a working hour policy in accordance to local law. Facility runs in one general shift from 8:00 AM to 5:00 PM inclusive of one hour personal break in two time slots (01:00 PM to 02:00 PM for 4th, 8th and 10th floor and 01:30 PM to 02:30 PM for 5th and 6th floor). Friday is the weekly holiday for all employees in general shift. Security section runs in three shifts and has breaks and weekly offs by rotation. The facility maintains workers time records by electronic punch card time keeping system. Auditors covered the workers' working hour records from March 2020 till audit date. Auditors selected working-hour records of 36 workers as samples, which have been selected from different areas or departments of the facility. Scrutinizing the working hour records have revealed some overtime work-hours within the legal limit. Overtime work in the factory is voluntary. Maximum overtime found 02 hours daily and 12 hours weekly. Overtime is paid at a premium rate (200% of basic wage). Auditors reviewed the time records of randomly selected three (3) months; June 2020, October 2020 and February 2021. Despite all, gaps were observed in implementation.  6.1 - Through documents review, workers and management interview it has been noted that factory has practiced few days weekend work after festival leave as a general work day which has adjusted with festival leave. As a result workers has worked more than 48 hours (excluding OT hours) per week for general day duty (weekend worked). Note that in audit scope, factory has opened as general work on 14 February, 13 March, 08 May 22 May 2020 those days already adjusted with Eid-ul-Fitr festival leave and factory has opened as general work on 10 July, 24 July those days already adjusted with Eid-ul-Azha festival leave. Also factory has opened as general work on 08 January 2021 which is adjusted with 20 February 2021 and 26 February, 12 March and 31 March 2021 has opened as general worked which will adjusted with upcoming EID festival leave 2021. [Reference: Bangladesh Labor Law 2006 section 102]	
<b>Remarks from Auditee:</b> No Remarks	



**Performance Area 7 : Occupational Health and Safety**

Full Audit [Audit Id - 207371] Audit Date: 31/03/2021 PA Score: A Deadline date:31/01/2022

**GOOD PRACTICES:**

None Observed

**AREAS OF IMPROVEMENT:**

Overall observation shows that the auditee is in progress of complying health & safety rules and regulations as per law. Factory Management follows a few protocols for tackling the spread of COVID-19. They have a responsible team for tracking and preventing spread of Coronavirus through monthly risk assessments, ppe use, wash facility, maintaining hygiene, installing awareness creation placards and hotline numbers for coronavirus consultation & testing. Records of different kinds of in-house training like health & safety training, PPE training, in-house firefighting training, first aid training etc. found available during audit. Relevant Personal Protective Equipment (PPE) is provided to the employees at free of cost and it is recorded in the PPE register book. In these pandemic situation, factory fully ensured face mask. Factory has documented emergency preparedness procedure for handling of accident and emergency. During site tour it was noted that working environment with respect to lighting and ventilation of the factory was acceptable. All exit doors were clearly marked with emergency light. There were aisles marking and evacuation plot plan. Adequate number of firefighting equipment (Fire extinguisher=38, Fire hose pipe=4, Fire alarm bell=9, Smoke detector=40) and first aid box (Total=05) were available in the factory. Facility has system to monitor the health and safety issues through internal auditing system. Factory ensured one full time doctor and one full time nurse. Question- 7.23 and 7.24 are rated as N/A as factory does not provide any housing and transportation to the workers. Despite all, below gaps were observed in implementation.

- 7.1 - The facility is in progress of complying health & safety regulations. During audit few gaps were found related to proper risk assessment, boiler competency certificate PPE, emergency assemble point, layout plan etc.
- 7.3 - Facility management has identified risks associated to the factory's production activities, machines, covid-19, etc. However, the management did not identify risks related to its 06 disable workers and potential workplace hazard. [Reference: Bangladesh Labor rule 2006, amendment -2018 (44).]
- 7.6 - 01 out of 02 cutting man was working without using metal hand gloves. Moreover, 01 metal hand glove was found tear during factory tour. [Reference: (Rule 67(2) of Bangladesh Labour Rules 2015)]
- 7.8 - (i) Factory has no suitable emergency assembly point. Factory used a busy communication road in front of the factory building. (ii) Facility has trained workers for fire fighter, rescuer team but they did not wear dress as prescribed in labour labor rules. [Reference: Bangladesh Labor Rules-2015, Rule- 55 (11)]
- 7.11 - Current floor layout plan found mismatch with approved floor layout plan at 8th & 9th floor of main production building. [Law Reference: Bangladesh Labour Rules 2015, Rule 353(1)]
- 7.16 - Posted evacuation plot plan found mismatch with current floor layout at 8th & 9th floor of main production building. [Reference: Bangladesh Labor Rule-2015, Rule-55(8)]
- 7.17 - (i) Around 60% eye guard of over lock, kansai and bartack machine found displaced at sewing section and around 50% needle guard found displaced at sewing machine. [As per Bangladesh Labour Law 2006, section 63(1) D (3)] (ii) Factory has one boiler operator, however the operator does not have boiler operator competency certificate yet from the concern authority. [Reference: Boilers Act, 1923, Section-6] (iii) Factory has no periodic servicing and maintenance system for its boilers. Note that, factory has a dedicated team for in-house machine maintenance services, however no boiler maintenance record was found for review during the audit. (iv) Hydraulic pressure test has not been conducted for 01 out of 01 compressor of the factory. Nevertheless, facility maintains periodic inspection or servicing system for the compressor. [Reference: Bangladesh Labor Rules-2015, Rule-62]

**Remarks from Auditee:**

No Remarks

**Performance Area 8 : No Child Labour**

Full Audit [Audit Id - 207371] Audit Date: 31/03/2021 PA Score: A Deadline date:

**GOOD PRACTICES:**

None Observed

**AREAS OF IMPROVEMENT:**

It appeared from overall observation, that the company management had fulfilled all the mandatory conditions of this performance area. Facility has established written policy stating not to engage underage workers. Also facility has developed child labor remediation policy if in case of child labor found in this facility. No child labor was identified during the audit dates. Nothing reported about historical child labor by the interviewed workers. Factory checks the age of the potential worker before recruitment through the age proof records. Management maintains age related documents (i.e. birth certificate, national ID card, school certificate etc) in the workers' personnel file. Management does not engage any apprenticeship program.

**Remarks from Auditee:**

Not Applicable

<b>Performance Area 9 : Special protection for young workers</b>	
Full Audit [Audit Id - 207371] Audit Date: 31/03/2021 PA Score: A	Deadline date:
<b>GOOD PRACTICES:</b> None Observed	
<b>AREAS OF IMPROVEMENT:</b> Overall observation proved that company management had fulfilled the general terms and conditions of the performance area. Facility has established young workers policy as per law. Young worker has not been recruited by the facility management. Also no young worker was identified during the audit. Question-9.6 is rated as 'N/A' as no young worker was available in the factory.	
<b>Remarks from Auditee:</b> Not Applicable	
<b>Performance Area 10 : No Precarious Employment</b>	
Full Audit [Audit Id - 207371] Audit Date: 31/03/2021 PA Score: A	Deadline date:
<b>GOOD PRACTICES:</b> None Observed	
<b>AREAS OF IMPROVEMENT:</b> Overall observation proved that company had recruited all of its process and service workers on permanent basis. Workers information is maintained in the workers' personal files. Nominee forms and Workers' Job-Contracts included description of duties and responsibilities which were maintained in their personal files. All the information of Appointment Terms & Conditions complied with the law. No unlawful apprenticeship scheme, seasonal workers or contractual process workers had been identified in the factory during audit.	
<b>Remarks from Auditee:</b> Not Applicable	
<b>Performance Area 11 : No Bonded Labour</b>	
Full Audit [Audit Id - 207371] Audit Date: 31/03/2021 PA Score: A	Deadline date:
<b>GOOD PRACTICES:</b> None Observed	
<b>AREAS OF IMPROVEMENT:</b> Overall observation shows that the auditee has fulfilled the requirements of this performance area. Facility does not engage any forced or bonded labor. In Bangladesh no prison labor is allowed to work out-side the prison according to the law. No negative evidence has been identified during audit regarding forced labor and interviewed workers were happy to work in the factory. Management does not keep any original documents from the workers that confirmed by the interviewed workers. Workers are free to leave their employer at any time giving required notices. Question-11.2 is rated as 'N/A' as factory did not engage or recruit any migrant worker.	
<b>Remarks from Auditee:</b> Not Applicable	
<b>Performance Area 12 : Protection of the Environment</b>	
Full Audit [Audit Id - 207371] Audit Date: 31/03/2021 PA Score: A	Deadline date:
<b>GOOD PRACTICES:</b> None Observed	
<b>AREAS OF IMPROVEMENT:</b> It appeared from overall observation, that the company has a written environmental policy and procedure to ensure local environment law into the business performance. No significant environment risk was noted at production processes. Factory management routinely measures and assessed sources of stack air emission, noise level, temperature, humidity, etc, through competent third party organizations. Disposal of waste is done in a safe manner. Facility has agreement with third party waste collector for disposal of general solid waste on weekly basis. Training has been provided to all employees on reduction of unnecessary water consumption.	
<b>Remarks from Auditee:</b> Not Applicable	

**Performance Area 13 : Ethical Business Behaviour**

Full Audit [Audit Id - 207371] Audit Date: 31/03/2021 PA Score: C

Deadline date:31/12/2021

**GOOD PRACTICES:**

None Observed

**AREAS OF IMPROVEMENT:**

Overall observation proved that company management had implemented strict Anti-Corruption and Anti-Bribery policy. The auditee conducted a risk assessment on corruption and bribery in different departments and production areas. Trainings and workshops were provided to the management, staff and workers. The auditee portrayed respect to their individual personal rights. However, gaps were observed in implementation.

- 13.1 - Facility management has identified possible areas of corruption in their supply chain and business activities however, they did not communicate their anti-corruption and anti-bribery policy with their business partners (sub-suppliers under their supply chain management program).
- 13.2 - Time keeping system for the security guards of the factory was found manual (attendance register). It has been maintained by security in-charge. The IN-TIME and OUT-TIME was found same every day. So, accurate data of workers entry and exit has not been maintained. For example, every day, IN-TIME of is 6:00 am and OUT-TIME is 2:00 pm or IN-TIME 2:00 pm and OUT-TIME is 10:00 pm or IN-TIME 10:00 pm and and OUT-TIME is 6:00 am. No fraction of time is being maintained.
- 13.4 - Factory did not develop any policy or procedure for employee's personal data protection, exchange and handling etc.

**Remarks from Auditee:**

No Remarks

**Summary**



Audit Type	Date	Audit Id	PA1	PA2	PA3	PA4	PA5	PA6	PA7	PA8	PA9	PA10	PA11	PA12	PA13	Overall Rating
Full Audit	31/03/2021	207371	C	D	A	A	C	A	A	A	A	A	A	A	C	C

**Producer Photos**



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



Photo of fire safety equipment  
Fire sprinkler system.JPG



Photo first aid facilities  
Patient bed.JPG



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



Photo of fire safety equipment  
Firefighting equipment.JPG



Photo of the sanitary facilities  
Clean toilet.JPG



External photo(s) of the production unit(s)  
Security post.JPG



Photo of the inside of the main production hall  
Compliant and suggestion box.JPG



Photo of the sanitary facilities  
Segregated workers toilet.JPG



Photo of the inside of the main production hall  
Accessories store.JPG



Photo of the inside of the main production hall  
Emergency contract number.JPG



Photo of the sanitary facilities  
Washing facility at toilet.JPG



Photo of the inside of the main production hall  
Carton store area.JPG



Photo of the inside of the main production hall  
Emergency evacuation plan.JPG



Photo of the canteen (if applicable)  
Canteen.JPG





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



Photo of the inside of the main production hall  
Emergency light.JPG



Photo of the canteen (if applicable)  
Wash facility at workers dining.JPG



Photo of the inside of the main production hall  
Fabrics store.JPG

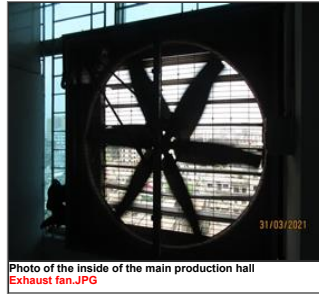


Photo of the inside of the main production hall  
Exhaust fan.JPG



Photo of the canteen (if applicable)  
Workers dining.JPG



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



Photo of the inside of the main production hall  
Exit sign.JPG



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



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



Photo of the inside of the main production hall  
Firefighter in prescribed dress.JPG



Photo of the personal protection equipments (if applicable)  
PPE use at working time.JPG



Photo of the inside of the main production hall  
Fusing Section.JPG



Photo of the inside of the main production hall  
Gong bell.JPG



External photo(s) of the production unit(s)  
Awareness of COVID 19 poster.JPG

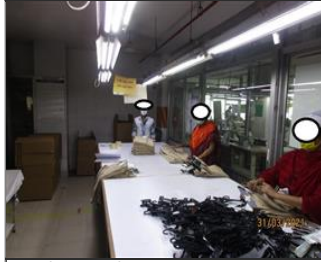


Photo of the inside of the main production hall  
Packing area.JPG



Photo of the inside of the main production hall  
Industrial battery backup fog light.JPG



External photo(s) of the production unit(s)  
Boiler.JPG



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



Photo of the inside of the main production hall  
Main staircase.JPG



External photo(s) of the production unit(s)  
Compressor room.JPG



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



Photo of the inside of the main production hall  
No smoking sign posted.JPG



External photo(s) of the production unit(s)  
Electrical sub-station.JPG



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



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



External photo(s) of the production unit(s)  
External compliant and suggestion box.JPG



Photo of fire safety equipment  
Fire alarm bell 1.JPG



Photo of the inside of the main production hall  
Public addressing system.JPG



External photo(s) of the production unit(s)  
Generator.JPG





Photo of fire safety equipment  
Fire alarm bell 2.JPG



Photo of the inside of the main production hall  
Training center.JPG



External photo(s) of the production unit(s)  
Lighting protection system.JPG



Photo of fire safety equipment  
Fire alarm demonstration.JPG



Photo first aid facilities  
First aid box.JPG



External photo(s) of the production unit(s)  
Roof top.JPG



Photo of fire safety equipment  
Fire alarm switch.JPG



Photo first aid facilities  
First aid medicine.JPG



External photo(s) of the production unit(s)  
Solar power produce system.JPG



Photo of fire safety equipment  
Fire extinguisher.JPG



Photo first aid facilities  
First aider.JPG



Photo of non-conformity  
Findings 7.17 - Eye guard displaced.JPG



Photo of fire safety equipment  
Fire hose pipe.JPG



Photo first aid facilities  
Medical Room.JPG



Photo of non-conformity  
Findings 7.17 - Needle guard displaced.JPG



Photo of fire safety equipment  
Fire resistance door.JPG



Photo first aid facilities  
Medicine store.JPG



Photo of non-conformity  
Findings 7.6 - Metal hand glove found torn.JPG