
Sedex Members Ethical Trade Audit (SMETA) Report

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

Supplier name:	ESE Knitwear Ltd.	
Site country:	Bangladesh	
Site name:	ESE Knitwear Ltd.	
Parent Company name (of the site):		
SMETA Audit Type:	<input type="checkbox"/> 2-Pillar	<input checked="" type="checkbox"/> 4-Pillar
Date of Audit	12.04.2015	

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

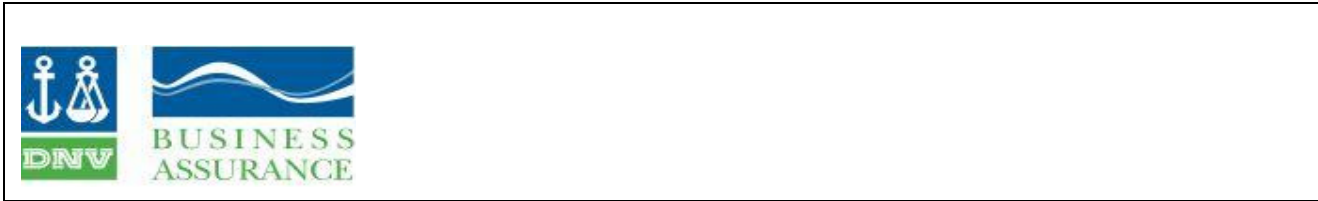
- 2-Pillar requirements plus
- Additional Pillar assessment of Environment
- Additional Pillar assessment of Business Ethics

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.





Audit Company Name: DNV Business Assurance	Report Owner (payee): Imam Dyeing Knitting Printing & Finishing Ind. Ltd.
Sedex Company Reference: <i>(only available on Sedex System)</i>	S000000073745
Sedex Site Reference: <i>(only available on Sedex System)</i>	P000000157822

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: <i>(If applicable)</i>	Ms. Shirmin Akter Bithi, Lead Auditor: SA8000
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SMETA Declaration

I declare that the audit underpinning the following report was conducted in accordance with SMETA best practice guidance.

Any exceptions to this must be recorded here: Nil

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

Ms. Shirmin Akter Bithi (Lead Auditor) and
 Mohammad Nazrul Islam Talukder (Auditor).

Date: **12th April, 2015**



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 Management systems and code implementation	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	00		
1 Employment Freely Chosen	<input type="checkbox"/>	<input type="checkbox"/>		00		
2 Freedom of Association	<input type="checkbox"/>	<input type="checkbox"/>		00		
3 Safety and Hygienic Conditions	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>		05		
4 Child Labour	<input type="checkbox"/>	<input type="checkbox"/>		00		
5 Wages and Benefits	<input type="checkbox"/>	<input type="checkbox"/>		00		
6 Working Hours	<input type="checkbox"/>	<input type="checkbox"/>		00		
7 Discrimination	<input type="checkbox"/>	<input type="checkbox"/>		00		
8 Regular Employment	<input type="checkbox"/>	<input type="checkbox"/>		00		
8A Sub-Contracting and Homeworking		<input type="checkbox"/>	<input type="checkbox"/>	00		
9 Harsh or Inhumane Treatment	<input type="checkbox"/>	<input type="checkbox"/>		00		
10A Entitlement to Work		<input type="checkbox"/>	<input type="checkbox"/>	00		
10B2 Environment 2-Pillar		<input type="checkbox"/>	<input type="checkbox"/>	00		
10B4 Environment 4-Pillar		<input type="checkbox"/>	<input type="checkbox"/>	00		
10C Business Ethics		<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)

The factory does not engage any forced or bonded labour. According to Bangladesh Law Prison Labour is acceptable and this facility did not engage prison labor. Factory also does not keep any original documents from the workers, confirmed by the interviewed workers and documents review. Workers are free to leave their employer at any time by giving required notices.

Factory has established a Social Responsibility Team, represented by the workers and factory top management. Moreover, complaint boxes have been placed inside the factory to ventilate worker grievance.

Factory has adequate toilets for the male and female workers and necessary safety trainings for the workers as per legal requirement.

Factory does not engage below 18 years and no child or young worker has been identified during audit. Factory checks the age before recruitment by the doctor and maintains age related documents in the workers' personnel files.

Factory is giving minimum wage and other benefits as per local law. Workers are receiving wages on time also workers are receiving overtime allowance at premium rate.

Factory only engages workers for overtime work when there is an urgency of shipment and when the work load is high. Workers are getting day off on Friday as weekly holiday. Factory maintains time records through manual time card.

Nothing identified by the documents verification and also nothing reported by the interviewed workers as discrimination. The pay and overtime record do not show any discriminatory incidents. Factory does not engage any worker through 'Subcontractor of Labour' and no immigrant worker have been engaged by the factory.

Md. Harunar Rashid, Asst. Manager (HR, Admin & Compliance) is responsible to look after the health and safety issue. Moreover, a health & safety committee is also available here.

Factory does not engage any home workers and reportedly get approval from the customer when they subcontract any order. No apprenticeship programme has been implemented in factory.

Negatives:

- ❖ **3: Working Conditions are Safe and Hygienic:** It was noted through interview of first aid personnel that their understanding about the subject was not up to the expectations.
- ❖ **3: Working Conditions are Safe and Hygienic:** Based from the facility visit it was noted that facility management did not removed the electricity connection finished goods store.
- ❖ **3: Working Conditions are Safe and Hygienic:** It was noted from management interview and facility visit that facility did not install sufficient smoke detection system and water hydrant system. Note that the facility has down comer hosepipe.
- ❖ **3: Working Conditions are Safe and Hygienic:** It was noted through documents review that Shade 01 (Dining Room) of the facility was not included in the facilities Fire License.
- ❖ **3: Working Conditions are Safe and Hygienic:** It was noted from document review and worker interview that factory management now have 40 person fire fighters (trained by Fire Service & Civil Defence) in the facility.
- ❖ **3: Working Conditions are Safe and Hygienic:** It was noted through document review and plant tour that the facility has not taken much initiative or developed any abatement mechanism to ensure reduction of emissions, particularly CO2, SOX, NOX emission from diesel generator. And temperature level is not monitored in main production area as per Environment Conservation Rules, 1997, Schedule – 4.



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Audit Details

Audit Details			
A: Report #:	DNVBA/2014/04/12		
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>	12th April, 2015 of Audit: Time in: 09:15 AM Time out: 05:30 PM	Day 2 Time in: Day 2 Time out:	Day 3 Time in: Day 3 Time out:
C: Number of Auditor Days Used: <i>(number of auditor x number of days)</i>	02 Days		
D: Audit type:	<input type="checkbox"/> Full Initial <input type="checkbox"/> Periodic <input checked="" 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 checked="" type="checkbox"/> Announced <input type="checkbox"/> Semi – announced: Window detail: weeks <input type="checkbox"/> Unannounced		
F: Was the Sedex SAQ available for review?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No		
If No , why not? <i>(Examples would be, site has not completed SAQ, site has not been asked to complete the SAQ.)</i>	Not Applicable		
G: Any conflicting information SAQ/Pre-Audit Info to Audit findings?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No If Yes , please capture detail in appropriate audit by clause		
H: Auditor name(s) and role(s):	Ms. Shirmin Akter Bithi (LA) Mohammad Nazrul Islam Talukder(A)		
I: Report written by:	Ms. Shirmin Akter Bithi (LA)		
J: Report reviewed by:	Mr. Sasim Chattopadhyay		
K: Report issue date:	12 th April, 2014		
L: Supplier name:	ESE Knitwear Ltd.		
M: Site name:	ESE Knitwear Ltd.		



N: Site country:	Bangladesh
O: Site contact and job title:	Md. Harunar Rashid-Asst. Manager (HR, Admin & Compliance)
P: Site address: (Please include full address)	1147, Khejur Bagan, Ashulia, Savar, Dhaka., District of Bangladesh.
Site phone:	+88 027741472
Site fax:	+88 02-7741808
Site e-mail:	harun01@yahoo.com
Q: Applicable business and other legally required licence numbers: for example, business license no, and liability insurance	<p>1. Trade License No: 448(2014/2015) valid till June 30, 2015.</p> <p>2. Fire License No: DD/ Dhaka/18307/2004 issued by Bangladesh Fire Service & Civil Defence Authority which is valid till June 30, 2015.</p> <p>3. Factory License No: 11969/Dhaka, bearing "I" category, issued by Govt. Republic of Factories which is valid till December 31, 2015.</p> <p>4. Group Insurance No: SLICL-GT-000000643 M/S. ESE Knitwear Ltd-3870-C/2014 issued by Sonali Life insurance company ltd which is valid till 06/05/2015</p> <p>5. Bond License No: 569/Cus-SBW/2005 issued by Local government authority.</p> <p>6. Membership Certificate: 3870 issued by BGMEA</p> <p>7. Export Promotion Bureau Ra- BDO4576 issued by government authority which is expired on 30th June, 2015</p> <p>8. Import Registered Certificate: Bo-145206 issued by government authority which is valid till June 30, 2015</p> <p>9. Export Registered Certificate: Ra-0093524 issued by government authority which is valid till June 30, 2015</p> <p>11. Tax Identification No.: 211-201-5531/Cir-288(Companies) issued by government authority.</p> <p>12. Boiler License: BABO: 5734 issued by government authority which is valid till June 18, 2015.</p>
R: Products/Activities at site, for example, garment manufacture, electricals, toys, grower	All type of Knit garments.
S: Audit results reviewed with site management?	Yes
T: Who signed and agreed CAPR (Name and job title)	Md. Harunar Rashid-Asst. Manager (HR, Admin & 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. Harunar Rashid-Asst. Manager (HR, Admin & Compliance)

<p>W: What form of worker representation / union is there on site?</p>	<input type="checkbox"/> Union (name) <input checked="" type="checkbox"/> Worker Committee <input type="checkbox"/> Other (specify) <input type="checkbox"/> None			
<p>X: Are any workers covered by Collective Bargaining Agreement (CBA)</p>	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No			
<p>Y: Previous audit date:</p>	<p>28th April 2014</p>			
<p>Z: Previous audit type:</p>		<p>SMETA 2-pillar</p>	<p>SMETA 4-pillar</p>	<p>Other</p>
	<p>Full Initial</p>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	<p>Periodic</p>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	<p>Full Follow-Up Audit</p>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
	<p>Partial Follow-Up</p>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	<p>Partial Other*</p>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
<p>*If other, please define:</p>				

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:	48 Hours	<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:	12 hours per week. However, an adult worker may work for more than eight hours in a day or forty-eight hours in a week, provided that the total hours of work of an adult worker shall not exceed sixty hours in any week and on the average fifty-six hours per week in any year.	<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:	18 Years	
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 5300.00	<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:	Double of the basic	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No

Audit Scope <i>(Please select the code and additional requirements that were audited against during this audit)</i>	
2–Pillar Audit	<input type="checkbox"/>
10B4: Environment 4–Pillar	<input checked="" 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	<input checked="" type="checkbox"/>



as well as workers supplied by other contractors.

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>	NA					
E: If Union Representatives were not present please explain reasons why: <i>(only complete if no union reps present)</i>	Company is not bound to have union representatives as per law, instead it has formed an Worker's Participation Committee.					



G: Site function:	<input type="checkbox"/> Agent <input checked="" type="checkbox"/> Factory Processing/Manufacturer <input type="checkbox"/> Finished Product Supplier <input type="checkbox"/> Grower <input type="checkbox"/> Homeworker <input type="checkbox"/> Labour Provider <input type="checkbox"/> Pack House <input type="checkbox"/> Primary Producer <input type="checkbox"/> Service Provider <input type="checkbox"/> Sub-Contractor
H: Month(s) of peak season: <i>(if applicable)</i>	Round the year same.
I: Process overview: <i>(Include products being produced, main operations, number of production lines, main equipment used)</i>	
<p>Product: All types of Sweater items.</p> <p>Process: Raw Material > Winding > Knitting > Linking > Washing > Sewing > Finishing > Packing > Export.</p> <p>Production Capacity: 2, 50, 000 pieces per month.</p> <p><u>The main equipments are used by the factory are:</u></p> <p><u>The main equipments are used by the factory are:</u></p> <ol style="list-style-type: none"> 1.Flat Knitting Machine(3GG): 160 Sets 2. Flat Knitting Machine(5GG):200 Sets 3. Flat Knitting Machine(7GG):300 Sets 4 Flat Knitting Machine(12GG):260 Sets 5.Auto Placket Knitting Machine:09 Sets 6. Shoulder Tape Knitting M/C: 01 Set 7. Computer Neck M/C 7GG: 06 Sets 8. Computer Neck M/C 12GG: 03 Sets 9. Computer Knitting M/C 12 GG: 86 Sets 10. Dial Linking Machine (5GG): 58 Sets 11. Dial Linking Machine (6GG): 36 Sets 12. Dial Linking Machine (8GG): 214 Sets 13. Dial Linking Machine (14GG): 5130 Sets 14. Sewing Machine: 35 Sets 15. Over Lock Machine: 20 Sets 16. Cane Winding Machine: 10 Sets 17. Bar Tack Stitch Machine: 10 Sets 18. Super Dial Machine: 05 Sets 19.Flat Lock Machine: 10 Sets 20. Stitch Button Hole Machine: 03 Sets 21. Stitch Button Attach Machine: 03 Sets 22. Washing Machine: 03 Sets 23. Hydro Extractor: 03 Sets 24. Dyeing Machine: 04 Sets 25. Boiler (Gas 500 KG): 02 Sets 26.Boiler (Electric 30 KW): 01 Set 27. Gas Generator 350 KVA: 01 Set 28. Diesel Generator 415 KVA: 01 Set 29. Diesel Generator 85 KVA: 01 Set 30. Vacuum Board: 48 Sets 31. Inspection Light Table: 38 Sets 	



32. Mending Inspection Light: 06 Sets
 33. Conveyor Metal Detector: M/C: 01 Set

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

Workers are comfortable with the working condition. Workers have been selected by the auditors at random from different work process covering different sex and age groups. The interview was conducted in a private place without the presence of any representative from the management.

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

Worker's committee representatives found active and workers are not aware of their representatives.

L: Attitude of managers:

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

The management was supportive to the audit process.



Key Information

Key Information <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? (Go to clause 8 – Regular Employment)	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	
B: Are maximum standard/contracted working hours clearly defined in contract/employment agreements? (Go to clause 8 – Regular Employment)	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	
C: Were appropriate records available to verify hours of work and wages? (Go to clause 5 – Living Wage)	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	
D: Were any inconsistencies found? (if yes describe nature) (Go to Wages Table)	<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? (Go to clause 5 – Living Wage)	Wages found: <input type="checkbox"/> Below legal min <input checked="" type="checkbox"/> Meet <input checked="" type="checkbox"/> Above	Please indicate the breakdown of workforce according to earnings: 0% of workforce earning under min wage 45% of workforce earning min wage 55% of workforce earning above min wage
	F: % of piece rate workers: (if applicable)	
G: Do the standard/contracted hours stated in a contract/employment agreement exceed the law or 48 hours per week? (Go to clause 6 – Working hours)	<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? (Go to clause 6 – Working hours)	NA	NA
I: Combined hours (standard/contracted plus overtime = total hours) over 60 per week found? (Go to Working Hours Analysis)	<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:	



<p>K: Are the correct legal overtime premiums paid? (Go to Wages Table)</p>	<p><input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A – there is no legal requirement to OT premium</p>
<p>L: Please state what actual OT is paid. (As a percentage of the workers standard rate) (Go to Working Hours Analysis)</p>	<p><i>Please give details of overtime premium as a % of standard wages:</i> <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:</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>00</p>
<p>O: Age of youngest worker found: (Go to clause 4 – Child labour)</p>	<p>18 years</p>
<p>P: Workers under 18 subject to hazardous work assignments? (Go to clause 3 – Health and Safety)</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>00%</p>
<p>Q: What form of worker representation/union is there on site? (Go to clause 2 – Freedom of Association)</p>	<p><input type="checkbox"/> Union (name) <input checked="" type="checkbox"/> Worker Committee <input type="checkbox"/> Other (specify) <input type="checkbox"/> None</p>
<p>R: Is it a legal requirement to have a union? (Go to clause 2 – Freedom of Association)</p>	<p><input type="checkbox"/> Yes <input checked="" type="checkbox"/> No</p>
<p>S: Is It a legal requirement to have a workers committee? (Go to clause 2 – Freedom of Association)</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) (Go to clause 2 – Freedom of Association)</p>	<p><input type="checkbox"/> Yes <input checked="" type="checkbox"/> No Describe:</p>
<p>U: Are there any External Processes? (Go to clause 8A – Sub-contracting and Home working)</p>	<p><input type="checkbox"/> Sub-Contracting <input type="checkbox"/> Homeworking <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: 90 % Female: 10 %
C: Majority nationality of workers	Bangladeshi
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)	18%
E: Were accurate records shown at the first request?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
F: If No , why not?	
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: We have checked legal and other documents e.g. last 12 months. There is no negative penalty were found.
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: As per documentation, company has policies and communication with workers of that to reduce mentioned risks.
I: If Yes , is there evidence (an indication) of effective implementation? Please give details.	Company has forced labour, child labour, discrimination, harassment & abuse policy and procedure. Also company checks age of every worker before recruitment through proper process and grievance procedure found strong in between workers and management.
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: As per documentation, all employees get periodical trainings of such issues.
K: If Yes , is there evidence (an indication) that training has been effective e.g. training records etc.? Please give details	Through plant tour, documentation and interview of management & workers it was noted that company avoids mentioned risks defined by the company policy.
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 rd party?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No Please describe: Company have worker's participation committee and grievance boxes installed in toilets, and representatives are active.
M: If Yes , are workers aware of these channels? Please give details.	No, Noted through worker's interview that all workers are aware of the committee and it's representatives.

<p>N: Have health and safety risks been identified e.g. through internal audits, formal risk analysis process, worker involvement etc.?</p>	<p><input checked="" type="checkbox"/> Yes <input type="checkbox"/> No Please describe: Company has posted risk assessments for all sections and training on health and safety records also available in the facility.</p>
<p>O: If Yes, has effective action been taken to reduce or eliminate these risks?</p>	<p>Company have an effective compliance monitoring team, whose job is to find and reduce any risks there is.</p>
<p>P: Are accidents recorded?</p>	<p><input checked="" type="checkbox"/> Yes <input type="checkbox"/> No Please describe: Company maintains an accident and injury records in a govt described form.</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: Auditor calculated and found that the work load capacity records are genuine.</p>
<p>R: Does the site have all required land rights licenses and permissions (<i>see SMETA Measurement Criteria</i>)?</p>	<p>Yes</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 (<i>Number and date</i>).</p>	<p>Yes, BSCI. No-342376 and Date: 10th June 2014</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: Company has a HR and Compliance department.</p>

Worker Analysis

Worker Analysis								
	Local			Migrant			Home workers	Total
	Permanent	Temporary	Agency	Permanent	Temporary	Agency		
Worker numbers – male	900	N/A	N/A	N/A	N/A	N/A	N/A	390
Worker numbers – female	370	N/A	N/A	N/A	N/A	N/A	N/A	585
Total	1270							1270
Number of Workers interviewed	60							60

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 Yes , how many workers supplied by contractors	NA
C: Are all contractor workers paid according to law?	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A
If Yes , Please give evidence for contractor workers being paid according to law:	

Migrant Workers:

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

D: Originating Locations/Countries:	Bangladesh
E: Type of work undertaken by migrant workers :	N/A
F: Were migrant workers recruited through an agency? If yes, please give details.	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No Please describe: No migrant worker found in the facility



<p>If Yes, is there a contract with the agency? Provide details of agencies and contractual arrangements including any fees lodged during the recruitment process.</p>	
<p>G: Does the site have a system for checking labour standards of agencies? If yes, please give details.</p>	<p><input type="checkbox"/> Yes <input checked="" type="checkbox"/> No Please describe: No agency is used to recruit workers</p>
<p>H: Percentage of migrant workers in company provided accommodation:</p>	<p>00%</p>



Audit Results by Clause

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: Factory has defined their own code of conduct including all Terms of ETI Code. The code is displayed in local language on company notice boards.

Company appointed a member of Senior Management Md. Harunar Rashid-Asst. Manager (HR, Admin & Compliance) who is responsible for compliance with the code.

Companies has communicated the code with suppliers by providing the copy of this code and collects their consent of reasonably practice of the code and extend of this ethical code through their supply chain.

Evidence examined – to support system description (Documents examined & relevant comments. Include renewal/expiry date where appropriate): Company Policies, Procedures, Management training and worker training documents, as well as legal documents.



Non-compliance:	
<p>1. Description of non-compliance: <input type="checkbox"/> NC against ETI/Additional Elements <input type="checkbox"/> NC against Local Law</p> <p>It was noted through document review and management interview that the facility did not communicate ETI Base Code to on site workers including local labour laws/ labour rights.</p> <p>Local law and/or ETI requirement: In accordance with ETI Base Code 04: Suppliers should communicate this code to their own suppliers and, where reasonably practicable, extend the principles of this Ethical Code through their supply chain.</p> <p>1st Follow Up audit conducted on 12th April 2015: Issues has been addressed. Facility management now has communicated ETI Base Code to on site workers including local labour laws/ labour rights.</p> <p>Recommended corrective action:</p>	<p>Objective evidence observed:</p> <ol style="list-style-type: none"> 1. Document Review. 2. Management Interview. 3. Worker Interview.

Observation:	
<p>Description of observation:</p> <p>Local law or ETI requirement:</p> <p>Comments:</p>	<p>Objective evidence observed:</p>

Good Examples observed:	
<p>Description of Good Example (GE):</p>	<p>Objective evidence observed:</p>





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: Company has defined “Force Labour Policy” stated that company has not appointed any Forced, bonded and involuntary Prison labour and it is strictly prohibited in the company.

A person seeking employment in the facility is required to send signed application form to Admin Department. After the recruitment procedure has been Completed and if the applicant has been selected for a job, he/she, at the time of appointment, is given an appointment letter where he/she has to provide a declaration that he/she is joining the factory at his/her own free will without any undue pressure from anybody. This declaration forms a part of the contract and every employees has to sign before acceptance of the job. The hiring staffs also inform each newcomer that he/she is under no compulsion to join the company and is also free to leave after complying with the company regulations as per the terms of the appointment letter. Verified during worker interviews. Workers are aware about force labor policy.

Security guards only posted at locations where needed for security purposes. Security forces are employed only for guarding the property and personnel of the company. During the facility visit, no exaggerated security measures or Logistics were noticed. Security guard found aware about job responsibility.

The atmosphere in the facility appeared normal and no sign of fear or exaggerated obedience displayed by employees was noticed.

The facility has defined a policy on freedom of movement and allows employees to visit toilets, medical centre, drinking water stations and to say their prayers as and when necessary.

It was noted through management interview, worker interview and document review that company is not keeping deposits or their identity papers of employees.

The appointment letter includes all terms & conditions related to the job and include a statement that the worker has read and understood all terms and accept to join on voluntarily basis. The appointment letter is signed both by the workers and the factory.

Company has defined a Termination policy which clearly states that workers are free to leave with reasonable notice which fully compliant with Bangladesh Labor law 2006.

Company has provided Job contract to every employees which states that any employees are free to leave with a reasonable notice as per the conditions of employment of Bangladesh Labor Law 2006.



Overtime is also voluntary and workers are free to leave once the regular shift hours are complete. This was verified during worker interview and found compliant.

Evidence examined – to support system description (Documents examined & relevant comments. Include renewal/expiry date where appropriate): Document review and worker’s interview process.

Non-compliance:

1. Description of non-compliance:

NC against ETI NC against Local Law:

Local law and/or ETI requirement

Recommended corrective action:

2. Description of non-compliance:

NC against ETI NC against Local Law

Local law and/or ETI requirement:

Recommended corrective action:

Objective evidence observed:

(where relevant please add photo numbers)

Observation:

Description of observation:

Local law or ETI requirement:

Comments:

Objective evidence observed:

Good Examples observed:

Description of Good Example (GE):

Objective evidence observed:



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

[\(Click](#)

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

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: No trade union has been formed by the workers of the factory. Workers are free to join or form the trade union, no restriction has been imposed to the workers from the management. Nothing identified through policy verification and no negative evidence identified through interview. Moreover, factory has formed a Participation Committee as parallel means where members are selected from the workers and workers are not aware about this participation committee. Compliant box has also been installed inside the toilet area by the factory management to get know the workers grievances.

Evidence examined – to support system description (Documents examined & relevant comments. Include renewal/expiry date where appropriate): Plant tour and worker's interview process.

Non-compliance:

1. Description of non-compliance:

- NC against ETI NC against Local Law

It was noted through worker interview that the workers are not very much aware about the Workers Participation Committee; most of the interviewed workers do not know the activities of the committee. Further it was noted that committee was formed by selection process by the management instead of election.

Local law and/or ETI requirement:

In accordance of Bangladesh Labour Law 2006, Section – 205 (6), amendment on July 22, 2013: facility should form a Participation Committee through election.

In accordance with ETI Base Code 2.4: Where the right to freedom of association

Objective evidence observed:

- 1. Document Review.
- 2. Management Interview.



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.

Recommended corrective action:

Factory should form participation committee as per law requirement.

1st Follow Up audit conducted on 12th April 2015: Issues has been addressed. Facility management has formed Workers Participation Committee (WPC) through election instead of selection.

2. Description of non-compliance:

NC against ETI NC against Local Law

Interview with the workers during the plant tour had brought out the fact that they lack understanding of company's grievance handling procedures (suggestion boxes) and company policies & practices related to such **ETI base code and Bangladesh labour law-2006, section 33.**

Local law and/or ETI requirement:

In accordance with Bangladesh Laour Law 2006, section 33 (1): Any worker, including a worker who has been laid-off, retrenched, discharged, dismissed, removed, or otherwise removed from employment, who has grievance in respect of any matter covered under this chapter, and intends to seek redress thereof under this section, shall submit his grievance to his employer, in writing, by registered post within thirty days of being informed of the cause of such grievance.

Recommended corrective action:

Factory should aware workers about grievance handling procedure.

1st Follow Up audit conducted on 12th April 2015: Issue has been addressed; It was noted from facility visit and plan tour that now company have grievance handling procedures (vide suggestion boxes) and company policies & practices related to such **ETI base code and Bangladesh Labour Law 2006.**

Objective evidence observed:

1. Facility visit.

Observation:	
<p>Description of observation:</p> <p>Local law or ETI requirement:</p> <p>Comments:</p>	<p>Objective evidence observed:</p>

<p>A: Name of union and union representative, if applicable:</p>	<p>This is a non-unionized factory.</p>	<p>Is there evidence of free elections? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A</p>
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B: If no union what is parallel means of consultation with workers e.g. worker committees?	Factory has a Participation Committee (PC).	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 Yes , 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>	Noted through workers interview that they are aware of the participation committee representatives as per the law.	
E: Are any workers covered by Collective Bargaining Agreement (CBA)	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	
F: If Yes what percentage by trade Union/worker representation	00% workers covered by Union CBA	00% workers covered by worker rep CBA
G: If Yes , 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):	Objective evidence observed:



3: Working Conditions are Safe and Hygienic

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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: All relevant certificates, permits, licenses etc. applicable to the nature of activities being carried out in the facility are being maintained by the management. They are being retained under the safe custody of Md. Harunar Rashid-Asst. Manager (HR, Admin & Compliance).

During the factory tour it was observed that the facility is not following all the applicable laws and regulations regarding health & safety and ensuring a safe and hazard free workplace. Not yet installed or activated emergency fire alarms, other fire fighting appliances, first aid boxes, and personal protective equipment.

Management maintains an accident/injury register to record the nature of accidents/injuries and to analyze the data and investigate to find out the root cause for taking corrective actions. Record available in the accident registers Book.

Facility has a program and materials to train relevant individuals, including all individuals responsible for the supervision of workers, on all of the relevant occupational safety and health issues.

The factory is well maintained, the layout and other facilities are well designed and help in ensuring safe work place.

Company has defined a detail policy for health and safety. There is a committee named Health and Safety committee is continuously monitoring the operation level.

Safety program is documented and is reviewed by Health & Safety Committee. Detailed fire plan is also documented explaining the roles of various teams.

All first aid boxes were open, prominently identified and easily accessible. Facility has 16 first aid box, i.e. [975/12 =69] One first aid box for 81 workers. Ratio of first aid boxes (1 box for 150 workers as per Legal Requirement) is available in the factory and was within legal requirements. Factory has first aid team that is trained monthly by company's doctor.

All first aid friends found trained and documented training record available, but the first aid friends are not properly



aware about the subject matter. Workers found aware about first aid friends. All first aid friends identified by hand batch with medical sign and friend aid written. First Aid Written photograph of each first aid friends also displayed with each first aid box.

Company has provided training on health, safety and hygiene and found records of the trainings during the documents review. They also provided induction training for the new workers and repeated training for the reassigned workers.

Fire fighting team is available that is trained on a regular basis and records maintained. Fire fighter team members were found aware of the fire policy

All fire extinguishers were found clearly identified and access was not blocked. All fire extinguisher marked & numbering system of fire extinguisher.

All emergency exits were identified by emergency lights and found free and unobstructed.

Company has gone through a test of drinking water based on WHO and Bangladesh standard of Drinking water from Department of health and engineering of people's republic of Bangladesh.

Toilets were properly maintained, company has full time cleaners who are responsible to clean on regular basis. A monitoring checklist is also maintained to ensure that toilets are always in serviceable condition.

Company has not provided any Accommodation/Dormitory Facility. Mr. Harunar Rashid, Asst. Manager (HR, Admin & Compliance) is assigned as the Health and Safety representative

Evidence examined – to support system description (Documents examined & relevant comments. Include renewal/expiry date where appropriate): Document review, worker's interview and plant tour.

Non-compliance:

<p>1. Description of non-compliance: <input type="checkbox"/> NC against ETI <input checked="" type="checkbox"/> NC against Local Law</p> <p>It was noted through interview of first aid personnel that their understanding about the subject was not up to the expectations.</p> <p>1st Follow Up audit conducted on 12th April 2015: Issue has not been addressed. The condition remains same.</p> <p>Local law and/or ETI requirement:</p> <p>In accordance with Bangladesh Labour Law 2006, amended 22 July 2013, section 35 (KA): Trained First aider means the person who has 06 months training on first aid.</p> <p>Recommended corrective action: Management should take necessary action to arrange first aid training.</p>	<p>Objective evidence observed:</p> <ol style="list-style-type: none"> 1. Document Review 2. Worker Interview.
<p>2. Description of non-compliance: <input type="checkbox"/> NC against ETI <input type="checkbox"/> NC against Local Law</p> <p>It was noted from plant tour that the child care centre was not well furnished, there were only few toys and cradle but did not have seating accommodation of breast feeding.</p> <p>Local law and/or ETI requirement:</p> <p>In accordance with Bangladesh Labour Law 2006, section 94 (7): Such rooms shall be adequately furnished and equipped and in particular there shall be one suitable cot or cradle with necessary bedding for each child, at least one chair or equivalent seating accommodation for the use of each mother while she is feeding or attending to her child and a sufficient supply of suitable toys for the older children.</p> <p>Recommended corrective action: Facility should keep the child care room well furnished.</p> <p>1st Follow Up audit conducted on 12th April 2015: Issue has been addressed. Facility now has arranged the sitting accommodation for breast feeding.</p>	<p>Objective evidence observed:</p> <ol style="list-style-type: none"> 1. Plant tour.
<p>3. Description of non-compliance: <input type="checkbox"/> NC against ETI <input type="checkbox"/> NC against Local Law</p> <p>Based from the facility visit it was noted that facility management did not remove the electricity connection of finished goods store.</p> <p>Local law and/or ETI requirement:</p> <p>In accordance with the ETI Base Code point 3.1: A safe and hygienic working environment shall be provided, bearing in mind the prevailing knowledge of the industry and of any specific hazards. Adequate steps shall be taken to prevent accidents and injury to health arising out of, associated with, or occurring in the course of work, by minimising, so far as is reasonably practicable, the causes of hazards inherent in the working environment.</p>	<p>Objective evidence observed:</p> <ol style="list-style-type: none"> 1. Plant Tour

<p>It was noted through management interview and plan tour that there were no fire fighters (trained by Fire Service & Civil Defence) in the facility.</p> <p>1st Follow Up audit conducted on 12th April 2015: Issue has been partially addressed; It was noted from document review and worker interview that factory management now have 40 person fire fighters (trained by Fire Service & Civil Defence) in the facility instead of 76 fire fighters.</p> <p>Local law and/or ETI requirement: In accordance with Factory Fire License.</p> <p>Recommended corrective action: Factory should provide training to sufficient number of workers from Fire Service and Civil Defence Authority.</p> <p>7. Description of non-compliance: <input checked="" type="checkbox"/> NC against ETI <input checked="" type="checkbox"/> NC against Local Law</p> <p>It was noted through document review and plant tour that the facility has not taken much initiative or developed any abatement mechanism to ensure reduction of emissions, particularly CO₂, SOX, NOX emission from diesel generator. And temperature level is not monitored in main production area as per Environment Conservation Rules, 1997, Schedule – 2.</p> <p>1st Follow Up audit conducted on 12th April 2015: Issue remains same as before.</p> <p>Local law and/or ETI requirement: In accordance with Environment Conservation Rules 1997, schedule 2: Standards for air. 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 minimizing, so far as is reasonably Practicable, the causes of hazards inherent in the working environment.</p> <p>Recommended corrective action: Company should take much initiative or developed any abatement mechanism to ensure reduction of emissions, particularly CO₂, SOX, NOX emission from diesel generator and should monitor temperature level in the main production area.</p>	<p>1. Document Review. 2. Management Interview.</p> <p>Objective evidence observed:</p> <p>1. Plant Tour.</p>
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Observation:	
<p>Description of observation:</p> <p>Local law or ETI requirement:</p> <p>Recommended corrective action:</p>	<p>Objective evidence observed:</p>

Good Examples observed:	
Description of Good Example (GE):	Objective Evidence Observed:

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: Company has well defined policy for child labour conforming local and ILO standards what describes that they are not employing any child labour. During the audit no child labour found or suspected. They are going through an age verification test by the registered doctor before employing any worker and the proof of age are kept in the personal file. From the establishment of the company no child labour found or recorded.

Facility is keeping age verification certificates of workers as well as National ID Card, birth Certificate, Chairman or Commissioner Certificate, and Blood Group Report. Facility keeping copy of all mentioned certificate.

Employee files contain all correspondence related to the work history of the employees, i.e. application form, id card, national id card, age certificate, birth certificate, worker interview sheet, general interview, interview token, appointment letter copy, confirmation letter, Salary increment Sheet, Security verification, background check, service book. So the file maintains information regarding how long an employee has been working at the facility, verified during inspection of randomly selected personnel files. Randomly checked 52 personnel file.

All worker personnel files including age verification documents were found in respective files. During the monitoring visit, it was observed that the entire employee population appeared to be above the age of 18 years. In addition, any young looking employee noticed on the floor was included in the list of interviews and a subsequent verification and review was conducted.

As per the local law anyone under 18 years of age is child and they are not employing any child at any circumstances. No child found during the audit.

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



Non-compliance:	
<p>1. Description of non-compliance: <input type="checkbox"/> NC against ETI <input type="checkbox"/> NC against Local Law</p> <p>Local law and/or ETI requirement:</p> <p>Recommended corrective action:</p> <p>2. Description of non-compliance: <input type="checkbox"/> NC against ETI <input type="checkbox"/> NC against Local Law</p> <p>Local law and/or ETI requirement:</p> <p>Recommended corrective action:</p>	<p>Objective evidence observed: <i>(where relevant please add photo numbers)</i></p>

Observation:	
<p>Description of observation:</p> <p>Local law or ETI requirement:</p> <p>Comments:</p>	<p>Objective evidence observed:</p>

Good Examples observed:	
<p>Description of Good Example (GE):</p>	<p>Objective Evidence Observed:</p>



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: Company is providing Appointment letter with all the particulars of wages in local language. Company is maintaining wage sheet for each pay period but not providing pay slip with all particulars of each pay period.

The management provides induction as well as periodic training to all workers on factory compensation policy and trains them to calculate their wages correctly. All the relevant details in native language have been included in the employees' handbook for worker reference. The factory management has also posted them prominently on the notice boards.

Company has defined Disciplinary action policy and Deduction policy. Both are in line with the national law.

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

Non-compliance:	
<p>1. Description of non-compliance: <input type="checkbox"/> NC against ETI <input type="checkbox"/> NC against Local Law</p> <p>Local law and/or ETI requirement:</p> <p>Recommended corrective action:</p>	<p>Objective evidence observed: <i>(where relevant please add photo numbers)</i></p>



<p>2. Description of non-compliance: <input type="checkbox"/> NC against ETI <input type="checkbox"/> NC against Local Law</p> <p>Local law and/or ETI requirement:</p> <p>Recommended corrective action:</p>	
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Observation:	
<p>Description of observation:</p> <p>Local law or ETI requirement:</p> <p>Comments:</p>	<p>Objective evidence observed:</p>

Good Examples observed:	
<p>Description of Good Example (GE):</p>	<p>Objective Evidence Observed:</p>

<p>Wages analysis: (Click here to return to Key Information)</p>		
<p>A: Sample Size Checked <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></p>	<p>52 workers (52 payroll records was reviewed from March/April period, 2015)</p>	
<p>B: Are there different legal minimum wage grades? If Yes, please specify all.</p>	<p><input type="checkbox"/> Yes <input checked="" type="checkbox"/> No</p>	<p>If Yes, please give details:</p>
<p>C: If there are different legal minimum grades, are all workers graded correctly?</p>	<p><input type="checkbox"/> Yes <input type="checkbox"/> No <input checked="" type="checkbox"/> N/A</p>	<p>If No, please give details:</p>
<p>D: What deductions are required by law e.g. social insurance? Please state all types:</p>	<p>Deduction for unauthorized absent</p>	



E: Have all of these deductions been made? Please list all deductions that have/have not been made.	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	If Yes , Please list all deductions that have been made: Deduction for unauthorized absent
		If No , please give details on any deductions which have not been made:
F: Industry norm for this region: (please include time period e.g. hour/week/month)	Same as specified by local labor law	

Wages table <i>(Click here to return to Key information)</i>			
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: (State month selected)	March/April period, 2014	March/April period, 2014	March/April period, 2014
B: Anonymous Employee Reference/Dept.	Name: Ms. Rahima ID # 000620; Grade # 7 Asst. Op / Barteg	Name: Ms. Rekha Begum ID # 2746; Grade # 6 Gr. Winding Operator / Winding	Name: Mr. Jahangir ID # 2183; Grade # 3 Sr. Op. / Jacquard
C: Employee Gender	Female	Female	Male
D: Contracted/Standard working hours: (excluding OT – please include time period e.g. hour/week/month)	48 hours per week	48 hours per week	48 hours per week
E: Contracted /Standard work pay rate: (excluding OT – please include time period e.g. hour/week/month)	BDT 105.3 per day	BDT 188.10 per day	BDT 259.53 per day
F: Standard day overtime – hours: (please include time period e.g. hour/week/month)	2 Hrs per day	2 Hrs per Day	2 Hrs per Day
G: Standard day overtime – wage: (please include time period e.g. hour/week/month)	BDT 30.43 per hour	BDT 54.26 per hour	BDT 74.86 per hour



H: Rest day overtime – hours: <i>(please include time period e.g. hour/week/month)</i>	Not Applicable	Not Applicable	Not Applicable
I: Rest day overtime – wage: <i>(please include time period e.g. hour/week/month)</i>	Not Applicable	Not Applicable	Not Applicable
J: Statutory Holiday overtime – hours: <i>(please include time period e.g. hour/week/month)</i>	Not Applicable	Not Applicable	Not Applicable
K: Statutory holiday OT – wages: <i>(please include time period e.g. hour/week/month)</i>	Not Applicable	Not Applicable	Not Applicable
L: Total overtime hours: <i>(please include time period e.g. hour/week/month)</i>	46 Hrs	48 hrs	52 hrs
M: Incentives/Bonus/ Allowances etc.: <i>(please include time period e.g. hour/week/month)</i>	BDT 400 (attendance bonus)	BDT 400 (attendance bonus)	BDT 00 (attendance bonus)
N: Gross wages: <i>(please include time period e.g. hour/week/month)</i>	BDT 7,131.00	BDT12,004.00	BDT 14,690.00
O: Social insurance and other deductions; please list which and amount.	BDT 10.00 (For Stamp)	BDT 10.00 (For Stamp)	BDT 10.00 (For Stamp)
P: Actual wage paid after deduction: <i>(please include time period e.g. hour/week/month)</i>	BDT 7,121.00	BDT11,994.00	BDT 14,680.00
Comments: <i>(Please state here any specific reasons/circumstances that explain the lowest and highest gross wages)</i>			
<p>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></p> <p><input type="checkbox"/> Yes <input checked="" type="checkbox"/> No Please specify amount/time period: Workers wage sheets</p>			
<p>R: Are workers paid in a timely manner in line with local law?</p> <p><input type="checkbox"/> Yes <input checked="" type="checkbox"/> No</p>			



S: Is there evidence that equal rates are being paid for equal work:	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No Details: Noted through document review and workers interview
T: How are workers paid:	<input checked="" type="checkbox"/> Cash <input type="checkbox"/> Cheque <input type="checkbox"/> Bank Transfer <input type="checkbox"/> Other If other explain:

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: Company has defined policy on working hours and communicated to the workers through awareness program.

Company policy conform the both local laws and industry standards in terms of working hours. The policy has clearly defined that the overtime work is completely voluntary and any worker can leave the premises after regular working hours without prior permission.

Local law allows 48 hours regular work in a week and maximum 12 hours over time weekly. It was verified through Worker Interview and Document review (Payroll and Working hour Calculation)

The facility policy on working hours, the legal maximum working hours, overtime hours and days of rest has been prominently displayed on all the notice boards in the native language Bangla. Also it has been printed in the employee hand books. Periodic awareness training is held for all supervisory personnel responsible for production coordination and scheduling as well as those who are in supervisory roles to ensure that the workers are not





worked more than the legal maximum hours per day, per week and per month. Documented training record available for workers regarding compensation policy.

At the time of hiring, all new recruits are informed about the legal requirements and the limitations on the working hours, both regular and overtime, by providing induction training on the policies and procedures of the facility. They are also provided a hand book containing all the details.

Factory has issued Time Card to all workers to use for attendance. The attendance is recorded in the attendance register.

Company is providing one day off after every six consecutive days. The company's regular weekend is Thursday for all workers. Factory remains closed on Friday.

No holiday or rest day work found during the verification of documents.

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

Through document review, management & worker's interview

Non-compliance:

1. Description of non-compliance:

NC against ETI NC against Local Law

Local law and/or ETI requirement:

Recommended corrective action:

2. Description of non-compliance:

NC against ETI NC against Local Law

Local law and/or ETI requirement:

Recommended corrective action:

Objective evidence observed:

(where relevant please add photo numbers)



Observation:	
Description of observation: Local law or ETI requirement: Comments:	Objective evidence observed:

Good Examples observed:	
Description of Good Example (GE):	Objective Evidence Observed:

Working hours analysis <i>Please include time period e.g. hour/week/month</i> (Go back to Key information)		
Systems & Processes		
A. What timekeeping systems are used: time card etc.	<i>Describe:</i> Attendance and work timings (including OT) are recorded through manual time card.	
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 workers (52 payroll records was reviewed from March/April period, 2014)	
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 all 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>



Standard/Contracted Hours worked						
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> <table border="1" style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 25%;"><input type="checkbox"/> 0 hrs</td> <td style="width: 25%;"><input type="checkbox"/> Part time</td> <td style="width: 25%;"><input type="checkbox"/> Variable hrs</td> <td style="width: 25%;"><input type="checkbox"/> Other</td> </tr> </table> <i>If "Other", Please define:</i> 	<input type="checkbox"/> 0 hrs	<input type="checkbox"/> Part time	<input type="checkbox"/> Variable hrs	<input type="checkbox"/> Other
<input type="checkbox"/> 0 hrs	<input type="checkbox"/> Part time	<input type="checkbox"/> Variable hrs	<input type="checkbox"/> Other			
F: Do standard/contracted standard hours ever exceed the law or 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 a week				
	Lowest hours:	16 hours a week				
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	<i>If YES, Please give details</i> 				
Overtime Hours						
I: Actual overtime hours worked in sample (State per day/week/month)	Highest OT hours:	52				
	Lowest OT hours:	42				
J: Range of overtime hours over all workers/or as large a sample as possible. (State per week/month and details)	00 to 40 in March/April, 2015 00 to 12 in January/February, 2015					
K: Approximate percentage of workers on highest overtime hours	20%					
L: Is overtime voluntary?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> Conflicting Information	<i>Please detail evidence e.g. Wording of contract/employment agreement/handbook/worker interviews/refusal arrangements:</i> 				
Overtime Premiums						

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 standard 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 <u>and</u> this is allowed under local law, are there other considerations? Please complete the boxes where relevant. Multi select is possible.	<input checked="" type="checkbox"/> No, Facility paid 200% <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						
	Please explain any checked boxes in N above e.g. detail of consolidated pay CBA or Other.						
Rest Days							
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):					
	Six Days a week						
Total Hours							
P: Range of total hours: (Quote highest and lowest please include time period e.g. hour/week/month)	Highest total hours	60					
	Lowest total hours	48					
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"/> Overtime is voluntary <input type="checkbox"/> Onsite Collective bargaining allows 60+ hours/week <input type="checkbox"/> Safeguards are in place to protect worker's health and safety <input type="checkbox"/> Site can demonstrate exceptional circumstances <input type="checkbox"/> Other reasons						
	Please explain any checked boxes in R above						
Comments: (please state here any specific reasons/circumstances that explain the highest working hours)							
Above working hours calculation is done basing on the provided documents							



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

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: They have defined a policy of non-discrimination in hiring, compensation, promotion, termination, access to training, increment based on race, caste, national origin, religion, age, gender, gender, marital status, sexual orientation or membership in any union or political affiliation.

This policy is well communicated through the notice board.

Regular training programs are arranged to train relevant individuals such as management staff, supervisory personnel and Admin & Compliance staff on the anti-discrimination policy and practices of the facility. The training materials prepared by responsible persons were reviewed and found appropriate.

Companies have system in place to complaint against any discriminatory behaviour in confidential manner and have the system to handle the grievances if occurred. During the worker interview no such comments raised related to discrimination.

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

Document review and workers interview.



Non-compliance:	
<p>1. Description of non-compliance: <input type="checkbox"/> NC against ETI <input type="checkbox"/> NC against Local Law</p> <p>Local law and/or ETI requirement:</p> <p>Recommended corrective action:</p> <p>2. Description of non-compliance: <input type="checkbox"/> NC against ETI <input type="checkbox"/> NC against Local Law</p> <p>Local law and/or ETI requirement:</p> <p>Recommended corrective action:</p>	<p>Objective evidence observed: <i>(where relevant please add photo numbers)</i></p>

Observation:	
<p>Description of observation:</p> <p>Local law or ETI requirement:</p> <p>Comments:</p>	<p>Objective evidence observed:</p>

Good Examples observed:	
<p>Description of Good Example (GE):</p>	<p>Objective Evidence Observed:</p>



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:

Company is employing workers as permanent basis. No contractual workers employed in the company. Company is providing appointment letter as the job contract and keeping the duplicate copy of that appointment letter in the personal file.

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

Document review and workers interview.

Non-compliance:

1. Description of non-compliance:

NC against ETI NC against Local Law

Local law and/or ETI requirement:

Recommended corrective action:

2. Description of non-compliance:

NC against ETI NC against Local Law

Local law and/or ETI requirement:

Recommended corrective action:

Objective evidence observed:

(where relevant please add photo numbers)



Observation:	
Description of observation: Local law or ETI requirement: Comments:	Objective evidence observed:

Good Examples observed:	
Description of Good Example (GE):	Objective Evidence Observed:



8A: Sub-Contracting and Homeworking
[\(Click here to return to NC-table\)](#)
[\(Click here to return to Key Information\)](#)

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, homeworking and external processing.
Note to auditor on homeworking:
Report on whether it is direct or via agents. How many workers, relationship with site and what control systems are in place.

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: Company is not using any sub contractors
 No home working is in practice

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

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>1. Description of non-compliance: <input type="checkbox"/> NC against ETI/Additional Elements <input type="checkbox"/> NC against Local Law</p> <p>Local law and/or ETI /Additional Elements requirement:</p> <p>Recommended corrective action:</p> <p>2. Description of non-compliance: <input type="checkbox"/> NC against ETI/Additional Elements <input type="checkbox"/> NC against Local Law</p> <p>Local law and/or ETI requirement:</p> <p>Recommended corrective action:</p>	<p>Objective evidence observed: <i>(where relevant please add photo numbers)</i></p>

Observation:	
<p>Description of observation:</p> <p>Local law or ETI/Additional elements requirement:</p> <p>Comments:</p>	<p>Objective evidence observed:</p>

Good Examples observed:	
<p>Description of Good Example (GE):</p>	<p>Objective Evidence Observed:</p>



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 checked="" type="checkbox"/> No If Yes , summarise details:
B: Number of sub-contractors/agents used	From the establishment till today they have not used any Sub-contractors.
C: Is there a site policy on sub-contracting?	<input type="checkbox"/> Yes <input type="checkbox"/> No If Yes , summarise details:
D: What checks are in place to ensure no child labour is being used and work is safe?	NA
E: What processes are sub-contracted?	NA

Summary of homeworking – if applicable			
F: If homeworking is being used, is there evidence this has been agreed with the main client?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No If Yes , summarise details:		
G: Number of homeworkers	Male:	Female:	Total:
H: Are homeworkers employed direct or through agents?	<input type="checkbox"/> Directly <input type="checkbox"/> Through Agents		
I: If through agents, number of agents	From the establishment till today they have not used any agents.		
J: Is there a site policy on homeworking?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No		
K: How does site ensure worker hours and pay meet local laws for homeworkers?	NA		
L: What processes are carried out by homeworkers?	NA		
M: Are written agreements in place for homeworkers that include regular employment?	<input type="checkbox"/> Yes <input type="checkbox"/> No NA		
N: Are full records available at the site?	<input type="checkbox"/> Yes <input type="checkbox"/> No		





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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: Company has policy against harassment and abuse what clearly described that none is allowed to physical abuse, sexual or any other harassment or verbal abuse to any other employees.

Company has system in place to confidentially complain against any harassment or abuse without any threats of retaliatory action.

Company is providing awareness on regular basis on the company policy of harassment and abuse

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

Worker's interview.

Non-compliance:

1. Description of non-compliance:

NC against ETI NC against Local Law

Local law and/or ETI requirement:

Recommended corrective action:

2. Description of non-compliance:

NC against ETI NC against Local Law

Local law and/or ETI requirement:

Recommended corrective action:

Objective evidence observed:

(where relevant please add photo numbers)



Observation:	
Description of observation: Local law or ETI requirement: Comments:	Objective evidence observed:

Good Examples observed:	
Description of Good Example (GE):	Objective Evidence Observed:



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: No immigrant worker was found recruited by factory.

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

Document review, plant tour, management and worker interview.

Non-compliance:

1. Description of non-compliance:

- NC against ETI/Additional Elements NC against Local Law

Local law and/or ETI /Additional Elements requirement:

Recommended corrective action:

2. Description of non-compliance:

- NC against ETI/Additional Elements NC against Local

Local law and/or ETI/Additional Elements requirement:

Recommended corrective action:

Objective evidence observed:

(where relevant please add photo numbers)



Observation:	
Description of observation: Local law or ETI/Additional Elements requirement: Comments:	Objective evidence observed:

Good examples observed:	
Description of Good Example (GE):	Objective Evidence Observed:



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: Factory does not have any process which generates hazardous waste to the environment.

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

Non-compliance:

1. Description of non-compliance:

NC against ETI/Additional Elements NC against Local Law

Local law and/or ETI/Additional Elements requirement:

Recommended corrective action:

2. Description of non-compliance:

NC against ETI/Additional Elements NC against Local Law

Local law and/or ETI/Additional Elements requirement:

Recommended corrective action:

Objective evidence observed:

(where relevant please add photo numbers)



Observation:	
Description of observation: Local law or ETI/additional elements requirement: Comments:	Objective evidence observed:

Good examples observed:	
Description of Good Example (GE):	Objective Evidence Observed:



10. Other issue areas 10B4: Environment 4–Pillar

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

To be completed for a 4–Pillar SMETA Audit and remove the previous page which is 10B2 environment 2 pillar

B.4. Compliance Requirements

10B4.1 Suppliers as a minimum must meet the requirements of local and national laws related to environmental standards.

10B4.2. Where it is a legal requirement, suppliers must be able to demonstrate that they have the relevant valid permits including for use and disposal of resources e.g. water, waste etc.

10B4.3. The supplier shall be aware of their end client’s environmental standards/code requirements and have a system in place to monitor their performance against these.

B4. Guidance for Observations

10B4.4. Suppliers should have completed the appropriate section of the SAQ and made it available to the auditor.

10B4.5. Suppliers should have an environmental policy, covering their environmental impact, which is communicated to all appropriate parties, including its own suppliers.

10B4.6. Suppliers shall be aware of the significant environmental impact of their site and its processes.

10B4.7. The site should measure its impacts, including continuous recording and regular reviews of use and discharge of natural resources e.g. energy use, water use (see 4–pillar audit report and audit checks for details).

10B4.8. Suppliers shall seek to make continuous improvements in their environmental performance.

10B4.9. Suppliers shall have available for review any environmental certifications or any environmental management systems documentation

10B4.10. Suppliers should have a nominated individual responsible for co–ordinating the site’s efforts to improve environmental performance.

10B.4.11. Has the site recently been subject to (or pending) any fines/prosecutions for noncompliance to environmental regulations.

Note for auditors and readers. This environment section is intended to take not more than 0.25 auditor days. It is an assessment only and the main requirement is to establish whether a site is meeting applicable environmental laws and/or has any certifications or environmental management systems in place. Following this assessment the client/supplier may decide a full environmental audit is required (see also best practice guidance/environment and guidance for auditor)

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:

Factory does not use or emit any harmful substances which can cause severe damage to the nature. Waste management policy was available in the factory. Factory disposes the wastes like cut pieces, threads, poly bags and cartons through the local vendors.

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

Plant tour.



Non-compliance:	
<p>1. Description of non-compliance: <input type="checkbox"/> NC against ETI/Additional Elements <input type="checkbox"/> NC against Local</p> <p>Local law and/or ETI/Additional Elements requirement:</p> <p>Recommended corrective action:</p> <p>2. Description of non-compliance: <input type="checkbox"/> NC against ETI/Additional Elements <input type="checkbox"/> NC against Local</p> <p>Local law and/or ETI/Additional elements requirement:</p> <p>Recommended corrective action:</p>	<p>Objective evidence observed:</p>

Observation:	
<p>Description of observation:</p> <p>Local law or ETI/Additional elements requirements:</p> <p>Comments:</p>	<p>Objective evidence observed:</p>

Good examples observed:	
<p>Description of Good Example (GE):</p>	<p>Objective Evidence Observed:</p>



Environmental Analysis <i>(Site declaration only – this has not been verified by auditor. Please state units in all cases below.)</i>		
A; Responsible for Environmental issues (Name and Position):	Md Harunar Rashid, Asst. Manager (HR, Admin & Compliance)	
B: Does the site have a recognised environmental system certification such as ISO 14000 or equivalent? Please detail.	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No Details:	
C: Does the site have an Environmental policy? <i>(For guidance, please see Measurement criteria)</i>	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	
Does the site have a Biodiversity policy? <i>(For guidance, please see Measurement criteria)</i>	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	
E: Is there any other sustainability systems present such as Chain of Custody, Forest Stewardship Council (FSC), Marine Stewardship Council (MSC) etc.? Please detail. <i>(For guidance, please see Measurement criteria)</i>	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No Details:	
F: Have all legally required permits been shown? Please detail.	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No Details:	
G: Is there a documentation process to record hazardous chemicals used in the manufacturing process?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A Details:	
H: Is there a system for managing client's requirements and legislation in the destination countries regarding environmental and chemical issues?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No Details:	
Usage/Discharge analysis		
Criteria	Current year: 2015 _____	Previous Year: 2014
Electricity Usage: <i>Kw/hrs</i>	Unit: 29945	Unit: 29340
Renewable Energy Usage: <i>Kw/hrs</i>	00	00
Gas Usage: <i>Kw/hrs</i>	Mp3 : 9564	Mp3 : 10664
Has site completed any carbon Footprint Analysis?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
If Yes , please state result		

Water Sources: <i>Please list all sources e.g. lake, river, and local water authority.</i>	<ul style="list-style-type: none"> • Deep • • 	<ul style="list-style-type: none"> • Deep • •
Water Volume Used: <i>(m³)</i>	Gallon: 120990	Gallon: 131000
Water Discharged: <i>Please list all receiving waters/recipients.</i>	<ul style="list-style-type: none"> • Public drains • • 	<ul style="list-style-type: none"> • Public drains • •
Water Volume Discharged: <i>(m³)</i>	Gallon: 1100000	Gallon: 1150000
Water Volume Recycled: <i>(m³)</i>	00	00
Total waste Produced <i>(please state units)</i>	KGS 10500	KGS 11000
Total hazardous waste Produced: <i>(please state units)</i>	00	00
Waste to Recycling: <i>(please state units)</i>	KGS 00	KGS 00
Waste to Landfill: <i>(please state units)</i>	00	00
Total Product Produced <i>(please state units)</i>	1800000	1700000

10C: Business Ethics – 4-Pillar Audit
[\(Click here to return to NC-table\)](#)
To be completed for a 4-Pillar SMETA Audit

10C. Guidance for “Observations”

- 10C.1. Suppliers should have completed the appropriate section of the SAQ and have made it available to the auditor.
- 10C.2. The supplier should have received and acknowledged– preferably in writing – the Business Ethics policy of the auditor/audit company.
- 10C.3. Suppliers shall seek to conduct their business ethically without bribery, corruption, or any type of fraudulent Business Practice.
- 10C.4. Suppliers shall be aware of any applicable laws, their end client’s Business Ethics standards/code requirements and have a system in place to monitor their performance against these.
- 10C.5. Supplier should have a Business Ethics policy concerning bribery, corruption, or unethical Business Practice. This should be clearly communicated to all relevant parties.
- 10C.6. Suppliers should have a designated person responsible for implementing standards concerning Business Ethics
- 10C.7. Suppliers should have a transparent system in place for confidentially reporting, and dealing with unethical Business Ethics without fear of reprisals towards the reporter
- 10C.8. Suppliers should ensure that the staff whose job roles carry a higher level of risk in the area of ethical Business Practice e.g. sales, purchasing, logistics are trained on what action to take in the event of an issue arising in their area.

Note for auditors and readers. This Business Ethics section is intended to take not more than 0.25 auditor days. It is an assessment not an audit and the main requirement is to gather information on the relevant Business Ethics issues in a supply chain. All findings will be recorded as observations not Non- Compliances and the data collected will allow the membership to define appropriate standards over time as part of a continuous review process.

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:

Not Applicable

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

Observation

Description of observation:

**Local law or ETI requirement:
 Recommended corrective action:**

Objective evidence observed:





Comments:	
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Good examples observed:	
Description of Good Example (GE):	Objective Evidence Observed:



Worker Interview Summary

Worker Interview Summary	
A: Were workers aware of the audit?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
B: Were workers aware of the code?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
C: Number of group interviews: <i>(Please specify number and size of groups. Please see SMETA Best Practice Guidance and Measurement Criteria)</i>	5 Group 4 each
D: Number of individual interviews <i>(Please see SMETA Best Practice Guidance and Measurement Criteria)</i>	Male: 20 Female: 10
E: Total number of Group interviewed workers <i>(Please see SMETA Best Practice Guidance and Measurement Criteria)</i>	Male: 16 Female: 6
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?	No complaint raised by the worker in the interview process
I: What did the workers like the most about working at this site?	In time salary Good behavior of supervisors Flexible Leave policy Good and Clean working environment
J: Any additional comment(s) regarding interviews:	During the interview it was noted that the workers of the factory are happy to the management. They have a good communication between workers and management through workers participation committee.
K: Attitude of workers to hours worked:	Workers are happy with working hour

<p>Agency Workers (if applicable) <i>(workers sourced from a local agent who are not directly paid by the site)</i></p>
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A: Number of agencies used (average):	And names if available: NA
B: Were agency workers' age/pay/hours included within scope of this audit	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
C: Were sufficient documents for agency workers available for review?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No



Other findings

Other Findings Outside the Scope of the Code

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>

Photo Form

Adding Images To help keep the size of the Report as small as possible for ease of sending and saving the document we recommend that you use Microsoft Paint to resize your photos. To do so please follow these instructions:

- 1) To start Microsoft Paint, click 'Start', 'Programs', 'Accessories', then 'Paint'.
- 2) Open the image file you wish to edit.
- 3) Click the 'Image' Menu at the top and select "Stretch/Skew Image".
- 4) Choose a percentage figure to resize the image: to avoid distortion, choose the same percentage for horizontal and vertical stretch. Click OK.
- 5) Once you have the desired size, click File > Save As... (To prevent overwriting the original image). Save As jpeg (this provides compression to make the file smaller).
- 6) Please delete this text once complete.

		
<p>Name of the factory</p>	<p>Front View of the Factory</p>	<p>External View of the Factory</p>
		
<p>Main Gate of the Factory</p>	<p>Security Room</p>	<p>Stair Going Up</p>





Doctor's Room



Doctor



Medical Staff



Medical Bed For Female



Medical Bed For Male



Medicine Cabinet












Weighing Machine









Child Care Room



Inside of Childcare Room

		
<p>Dining Hall</p>	<p>Evacuation Plan</p>	<p>Layout Plan</p>
		
<p>Notice Board</p>	<p>Fire Equipments</p>	<p>Fire Extinguisher</p>
		
<p>Fire Hose Cabinet</p>	<p>P.A System</p>	<p>Toilet Female</p>

		
<p>Auto winding Section</p>	<p>Manual winding section</p>	<p>Bartak Machine</p>
		
<p>Dryer Area</p>	<p>Finished Goods Area</p>	<p>Finishing Section</p>
		
<p>HR & Admin Office</p>	<p>Jacquard Machine</p>	<p>Knitting Section</p>



Light Check Area



Lining Distribution Room



Linking Auditor Table



Linking Section



Mending Section



Pressing Section



Spot Removing Room



Trimming Section



Ware House





Washing Plant



Weaving Section



Chemical Store



Air Compressor



SDB



Smoke Detector



Sub-Station



Generator



Boiler Room

**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

[Click here for B members:](#)

http://www.surveymonkey.com/s.aspx?sm=d3vYsCe48fre69DRqIY_2brg_3d_3d

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Sedex Members Ethical Trade Audit (SMETA) Report (Version 5.0 Dec 2014)

