



Sedex Members Ethical Trade Audit Report

Version 7



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9. No harsh or inhumane treatment is allowed

10.A. Environment 2-Pillar

10.B. Environment 4-Pillar

10.C. Business ethics

Attachments

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 minimum requirements were applied and the SMETA auditor manual was followed. 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.

The audit scope includes an assessment of the Workplace Requirements and the Management Systems Assessment against the code areas below.

2-pillar audits include:

- Labour standards:
 - 0. Enabling accurate assessment
 - 1. Employment is freely chosen
 - 1.A. Responsible recruitment and entitlement to work
 - 2. Freedom of association and right to collective bargaining are respected
 - 4. Child labour shall not be used
 - 5. Legal wages are paid
 - 5.A. Living wages are paid
 - 6. Working hours are not excessive
 - 7. No discrimination is practiced
 - 8. Regular employment is provided
 - 8.A. Sub-contracting and homeworkers are used responsibly
 - 9. No harsh or inhumane treatment is allowed
- Health and safety:
 - 3. Working conditions are safe and hygienic
- Environment:
 - 10.A. Environment 2-pillar

4-pillar audits include, in addition to the above:

- Environment:
 - 10.B. Environment 4-pillar
- Business ethics:
 - 10.C. Business ethics

(2) Where appropriate, non-compliances or non-conformances were raised where either local law or the base code were not met, and recorded as non-compliances on both the audit report, CAPR and on the Sedex Platform.

(3) Any non-conformance against customer code shall not be uploaded to Sedex, but sent directly to the customer in question.

Audit details

Site details

| | | | |
|-----------------------------|------------------------|---------------------|---|
| Sedex site reference | ZS409456384 | Site name | xxxxxxxxxxxxxxxxxxxxxx |
| Business name | xxxxxxxxxxxxxxxxxxxxxx | Site address | xxxxxxxxxxxxxxxxxxxxxx xxxxxxxxxxxxxxxxxxxxxx BD |

Audit details

| | | | |
|---|---|-----------------------------|----------------------------------|
| Sedex company reference | ZC409168089 | Auditor company name | International Associates Limited |
| Date of audit | 2025-06-04 | Audit conducted by | AKM Nazeerullah |
| Audit pillars | Labour Standards Health and safety Environment 4-Pillar Business ethics | | |
| Time in and out | Day 1 | Day 2 | |
| | In 09:07 | In 09:15 | |
| | Out 17:31 | Out 15:48 | |
| Audit type | Full initial | | |
| Was the audit announced? | Semi announced | | |
| Was the Sedex SAQ available for review? | Yes | | |
| Who signed and agreed CAPR? | xxxxxxxxxxxxxx / Factory Manager | | |
| Any conflicting information SAQ/Pre-Audit Info | No | | |
| Is further information available? | No | | |

Audit attendance

| | Senior management | Worker representative | Union representative |
|--|--------------------------|------------------------------|-----------------------------|
| | | | |

| | | | |
|--|---|-----|----|
| A: Present at the opening meeting? | Yes | Yes | No |
| B: Present at the audit? | Yes | Yes | No |
| C: Present at the closing meeting? | Yes | Yes | No |
| Reason for absence at the opening meeting | There is no trade union at this facility. Hence, the union representatives were not present at the opening meeting. Facility has Participation Committee (PC). The workers representative from PC was present at the opening meeting. | | |
| Reason for absence during the audit | There is no trade union at this facility. Hence, the union representatives were not present at the audit. Facility has Participation Committee (PC). The workers representative from PC was present at the audit/. | | |
| Reason for absence at the closing meeting | There is no trade union at this facility. Hence, the union representatives were not present at the closing meeting. Facility has Participation Committee (PC). The workers representative from PC was present at the closing meeting. | | |

SMETA declaration

Auditor team

| | | | |
|---|---|---------------------|----------|
| SMETA declaration | <p>I declare that the audit underpinning the following report was conducted in accordance with SMETA Minimum Requirements and the SMETA Auditor Manual.</p> <ol style="list-style-type: none"> Where appropriate non-compliances/ non-conformances were raised against the Base Code and local law and recorded as non-compliances/ non-conformances on both the audit report, CAPR and on the Sedex Platform. Any non-conformance against customer code alone shall not be uploaded to Sedex, and will be shared directly with the customer in question. <p>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.</p> | | |
| Any exceptions to the SMETA Methodology must be recorded here (e.g. different sample size) | Not Applicable | | |
| Lead auditor | AKM Naziullah | APSCA Number | 21705663 |
| Additional auditor | Mamunur Rashid | APSCA Number | 32200609 |
| | Tapan Dash | APSCA Number | 21705268 |
| Date of declaration | 2025-06-05 | | |

Site representation

| | |
|----------------------------|--|
| Declaration | I acknowledge that details from this report can change during the review process and that I will be given the opportunity to dispute the content once the review has been published. |
| Full name | XXXXXXXXXXXXXXXXXXXX |
| Title | Factory Manger |
| Date of declaration | 2025-06-05 |

Summary of findings

| Code area | Workplace requirement | Area of NC | Finding |
|---|--|------------------------|---------------------------------|
| 3. Working conditions are safe and hygienic | 3.G Provide sufficient first-aid supplies on... | Local law Base code | NC ZAF600976243 |
| | 3.M Ensure all machinery is installed, mainta... | Local law Base code | NC ZAF600976241 |
| | 3.N Maintain a log of all hazardous substance... | Local law Base code | NC ZAF600976244 |
| | 3.O Implement an appropriate electrical safet... | Local law Base code | NC ZAF600976242 |
| 5.A. Living wages are paid | 5.A.A Review workers' total pay including ben... | Base code | NC ZAF600976248 |
| | 5.A.B Put in place a wage improvement plan th... | Base code | NC ZAF600976249 |
| 9. No harsh or inhumane treatment is allowed | 9.H Implement a formal process for workers to... | Base code | NC ZAF600976245 |
| 10.B. Environment 4-Pillar | 10.B.F Have and communicate policies and proc... | Base code | NC ZAF600976246 |
| 10.C. Business ethics | 10.C.E Provide appropriate business ethics tr... | Base code | NC ZAF600976247 |

Management systems

| | Policies and procedures | Resources | Communication and training | Monitoring |
|--|-------------------------|-----------|----------------------------|------------|
| 1. Employment is freely chosen | ⚠ | ⚠ | ℹ | ℹ |
| 1.A. Responsible recruitment and entitlement to work | ⚠ | ⚠ | ℹ | ℹ |
| 2. Freedom of association and right to collective bargaining are respected | ⚠ | ⚠ | ℹ | ✓ |
| 3. Working conditions are safe and hygienic | ⚠ | ⚠ | ℹ | ⚠ |
| 4. Child labour shall not be used | ⚠ | ⚠ | ℹ | ✓ |
| 5. Legal wages are paid | ⚠ | ⚠ | ℹ | ℹ |
| 6. Working hours are not excessive | ✓ | ⚠ | ℹ | ✓ |
| 7. No discrimination is practiced | ⚠ | ⚠ | ℹ | ✓ |
| 8. Regular employment is provided | ⚠ | ⚠ | ℹ | ✓ |

✗ Not addressed

⚠ Fundamental improvements required

ℹ Some improvements recommended

✓ Robust management systems

| | Policies and procedures | Resources | Communication and training | Monitoring |
|---|-------------------------|-----------|----------------------------|------------|
| 8.A. Sub-contracting and homeworkers are used responsibly | ⚠ | ⚠ | ℹ | ✓ |
| 9. No harsh or inhumane treatment is allowed | ⚠ | ⚠ | ℹ | ⚠ |
| 10.A. Environment 2-Pillar | ⚠ | ⚠ | ℹ | ✓ |
| 10.C. Business ethics | ⚠ | ⚠ | ℹ | ℹ |

✗ Not addressed

⚠ Fundamental improvements required

ℹ Some improvements recommended

✓ Robust management systems

Site details

Company and site details

| | | |
|---|------------------------|--|
| Sedex company reference | ZC409168089 | |
| Sedex site reference | ZS409456384 | |
| Company name | xxxxxxxxxxxxxxxxxxxxxx | |
| Business ownership type | GOODS | |
| Site name | xxxxxxxxxxxxxxxxxxxxxx | |
| Site name in local language | | |
| GPS location | GPS address | xxxxxxxxxxxxxxxxxxxxxx Bangladesh |
| | Coordinates | Latitude:xxxxxxxxx Longitude: xxxxxxxxx |
| Is the worksite in a remote location, far from habitation? | No | |
| Site contact | Contact name | xxxxxxxxxxxxxx |
| | Job title | Factory Manger |
| | Phone number | xxxxxxxxxxxxxx |
| | Email | xxxxxxxxxxxxxx |

Company and site details

Applicable business and other legally required business license numbers and documents

1. Factory License: No# 67-02-1-115-00015. Date of issue: 15-05-2015 and valid till 14-05-2026 for Type of Factory: "Others Industry; Class: "I" by Department of Inspection for Factories and Establishments (DIFE), Dhaka, Bangladesh.
2. Business Trade License: No# 236 (2)24 Issue date: 24-09-2024 and valid till 30-06-2025 by 3 No. Brahmandi Union Parishad, Narayanganj.
3. Factory Fire License: No# DD-Dhaka-25283/2015; Issue date: 21-05-2015 and valid till 30-06-2025 as Occupancy: G-2; by Fire Services and Civil Defense, Dhaka; Area Coverage: 95,000 Sq. Ft.
4. Certificate of Incorporation: No# C-94851/11; Issue Date: 11-08-2011 by Register of joint Stock Company & Firms, Bangladesh.
5. Approved Building construction Plan: There are 13 sheds in the premises. 12 out of 13 sheds are pre-fabricated steel structure and 01 RCC with tin shed building. Approval date on 24-01-2024 by Local Government Engineering Department (LGED) Araihazar, Narayanganj and Chairman, Upozila Porisod, Araihazar, Narayanganj.
6. Approved Building/Machine Layout Plan: Ref# 248/Dept. Director/Narayanganj; Approved date: 02-04-2024; by Department of Inspection for Factories and Establishments (DIFE), Narayanganj.
7. Environment License: License# 25-133061; Issue date: 12-05-2025; valid till 06-02-2030 by Department of Environment, Narayanganj.

Site activities

| | | |
|---|---|---|
| Site function | Factory Processing/Manufacturer | |
| Site activities | Primary | Manufacture of wearing apparel (clothing), except fur apparel |
| | Secondary | |
| | Other | |
| Product type | Manufacture of Accessories, namely jute and woven bag | |
| Process overview | <p>Product: Woven canvas bag such as tote bag, shopping bag, gym bag, rope bag, ballon bag, pencil case, lunch bag, shoulder bag, school bag, travel bag and hand bag etc.</p> <p>Main operations: Cutting -> Sewing -> Finishing -> Packing</p> <p>Number of production lines: Sewing lines- 11</p> <p>Total Production machine: 474 pcs.</p> <p>Main equipment: Plane Machine, Over-lock, Double needle machine, eyelet machine, Flat lock, Snap button, Bar tack, Rip cutter machine, Thread Trimer machine, button hole machine, Needle Detector, Cutting machine, Needle detector machine, Iron machine, Thread Sucker Machine, light box and Generator, etc.</p> | |
| What level of mechanization best describes the work at this site? | Fair mechanisation / manual Labour | |

Site scope

| | | |
|--|---|--|
| Is the audited site a physically continuous area? | No | There is another factory operating under the name "De Carbon Headwear", which specializes in cap manufacturing. This facility operates within the same premises but is located in separate shed buildings and independently. Document review confirms that "De Carbon Headwear" holds a separate business license and management, although it operates under the same ownership. |
| Building 1 | Last construction works on site | 2024 |
| | If building is shared, provide details | There are 14 sheds in the premises. Building#01 is situated in a pre-fabricated steel structural shed building. There is another factory named 'De Carbon Headwear,' specializes in cap manufacturing, which operations are located in separate shed buildings within the same premises and operate under the different license and factory management under same owner. |
| | Number of floors | 1 |
| | Description of floor activities | Floor 01 (Ground Floor): Cutting section. |
| Building 2 | Last construction works on site | 2023 |
| | If building is shared, provide details | There are 14 sheds in the premises. Building#02 is situated in a pre-fabricated steel structural shed building. There is another factory named 'De Carbon Headwear,' specializes in cap manufacturing, which operations are located in separate shed buildings within the same premises and operate under the different license and factory management under same owner. |
| | Number of floors | 1 |
| | Description of floor activities | Floor 01 (Ground Floor): Sewing section 01, Office area, Mechanic room. |

Site scope

| | | |
|-------------------|---|--|
| Building 3 | Last construction works on site | 2024 |
| | If building is shared, provide details | There are 14 sheds in the premises. Building#03 is situated in a pre-fabricated steel structural shed building. There is another factory named 'De Carbon Headwear,' specializes in cap manufacturing, which operations are located in separate shed buildings within the same premises and operate under the different license and factory management under same owner. |
| | Number of floors | 1 |
| | Description of floor activities | Floor 01 (Ground Floor): Sewing Section-2, Quality Section, Finishing Section, Packing section and Office Area |
| Building 4 | Last construction works on site | 2024 |
| | If building is shared, provide details | There are 14 sheds in the premises. Building#04 is situated in a pre-fabricated steel structural shed building. There is another factory named 'De Carbon Headwear,' specializes in cap manufacturing, which operations are located in separate shed buildings within the same premises and operate under the different license and factory management under same owner. |
| | Number of floors | 1 |
| | Description of floor activities | Floor 01 (Ground Floor): Finish goods warehouse. |
| Building 5 | Last construction works on site | 2024 |
| | If building is shared, provide details | There are 14 sheds in the premises. Building#05 is situated in a pre-fabricated steel structural shed building. There is another factory named 'De Carbon Headwear,' specializes in cap manufacturing, which operations are located in separate shed buildings within the same premises and operate under the different license and factory management under same owner. |
| | Number of floors | 1 |
| | Description of floor activities | Floor 01 (Ground Floor): Fabric Store. |

Site scope

| | | |
|-------------------|---|--|
| Building 6 | Last construction works on site | 2020 |
| | If building is shared, provide details | There are 14 sheds in the premises. Building#06 is situated in a pre-fabricated steel structural shed building. There is another factory named 'De Carbon Headwear,' specializes in cap manufacturing, which operations are located in separate shed buildings within the same premises and operate under the different license and factory management under same owner. |
| | Number of floors | 1 |
| Building 7 | Description of floor activities | Floor 01 (Ground Floor): Store Area, Generator Room. |
| | Last construction works on site | 2020 |
| | If building is shared, provide details | There are 14 sheds in the premises. Building#07 is situated in RCC with tin shed building. There is another factory named 'De Carbon Headwear,' specializes in cap manufacturing, which operations are located in separate shed buildings within the same premises and operate under the different license and factory management under same owner. |
| Building 8 | Number of floors | 1 |
| | Description of floor activities | Floor 01 (Ground Floor): Childcare Room, Doctor Room, Inspection Room. |
| | Last construction works on site | 2020 |
| Building 8 | If building is shared, provide details | There are 14 sheds in the premises. Building#08 is situated in a pre-fabricated steel structural shed building. There is another factory named 'De Carbon Headwear,' specializes in cap manufacturing, which operations are located in separate shed buildings within the same premises and operate under the different license and factory management under same owner. |
| | Number of floors | 1 |
| | Description of floor activities | Floor 01 (Ground Floor): Prayer room. |

Site scope

| | | |
|-------------|---|--|
| Building 9 | Last construction works on site | 2024 |
| | If building is shared, provide details | There are 14 sheds in the premises. Building#09 is situated in a tin shed building. There is another factory named 'De Carbon Headwear,' specializes in cap manufacturing, which operations are located in separate shed buildings within the same premises and operate under the different license and factory management under same owner. |
| | Number of floors | 1 |
| | Description of floor activities | Floor 01 (Ground Floor): Grocery shops for workers "Apon Bazar" operating by other 3rd party named "Apon Bazar.com" |
| Building 10 | Last construction works on site | 2025 |
| | If building is shared, provide details | There are 14 sheds in the premises. Building#10 is situated in a pre-fabricated steel structural shed building. There is another factory named 'De Carbon Headwear,' specializes in cap manufacturing, which operations are located in separate shed buildings within the same premises and operate under the different license and factory management under same owner. |
| | Number of floors | 1 |
| | Description of floor activities | Floor 01 (Ground Floor): Inspection Room, Cutting Part Room |
| Building 11 | Last construction works on site | 2025 |
| | If building is shared, provide details | There are 14 sheds in the premises. Building#11 is situated in a pre-fabricated steel structural shed building. There is another factory named 'De Carbon Headwear,' specializes in cap manufacturing, which operations are located in separate shed buildings within the same premises and operate under the different license and factory management under same owner. |
| | Number of floors | 1 |
| | Description of floor activities | Floor 01 (Ground Floor): Reception/waiting room. |

Site scope

| | | |
|--|---|--|
| Building 12 | Last construction works on site | 2024 |
| | If building is shared, provide details | There are 14 sheds in the premises. Building#12 is situated in a pre-fabricated steel structural shed building. There is another factory named 'De Carbon Headwear,' specializes in cap manufacturing, which operations are located in separate shed buildings within the same premises and operate under the different license and factory management under same owner. |
| | Number of floors | 1 |
| | Description of floor activities | Floor 01 (Ground Floor): Security post/room |
| Building 13 | Last construction works on site | 2024 |
| | If building is shared, provide details | There are 14 sheds in the premises. Building#13 is situated in a pre-fabricated steel shed building. There is another factory named 'De Carbon Headwear,' specializes in cap manufacturing, which operations are located in separate shed buildings within the same premises and operate under the different license and factory management under same owner. |
| | Number of floors | 1 |
| | Description of floor activities | Floor 01 (Ground Floor): Dining room |
| Building 14 | Last construction works on site | 2024 |
| | If building is shared, provide details | It is situated in a pre-fabricated steel shed building#14. Buildings within the same premises sharing with Aus Bangla Jutex Ltd and operate under the different license and factory management under same owner. |
| | Number of floors | 1 |
| | Description of floor activities | Floor 01: De Carbon Headwear (Different factory which operations are located in separate shed buildings within the same premises and operate under the different license and factory management under same owner.) |
| Is there any difference between the site scope of the audit and the Sedex site profile? | No | |

Site scope

Does the scope of the audit subdivide any building or is limited to particular processes, products or businesses within the physical site? No

Is any activity conducted onsite not included within the scope of the audit? No

Worker accommodation and transport

Are there any site-provided worker accommodation buildings? No

Does the site organise worker transport to the worksite? Not applicable
Transportation facility is not required by the local law.

Work patterns

| | | | | |
|---|-----------|---------|----------|---------|
| Approximate workers on site per month (% of peak) | January | 95-100% | February | 95-100% |
| | March | 95-100% | April | 95-100% |
| | May | 95-100% | June | 95-100% |
| | July | 95-100% | August | 95-100% |
| | September | 95-100% | October | 95-100% |
| | November | 95-100% | December | 95-100% |

Is there any night shift work at the site? No

Site assessments

Does this site hold any certifications that address labour standards, human rights, corruption or environmental impact? ISO 14001 (Environmental management), Other certification

ISO 14001:2015; Certification# 24MEERU88; Issue date: 29-04-2024; Date of Expiry: 28-04-2027 by Magnitude Management Services Pvt. Ltd an EGAC and IAF approved. OEKO-TEX Standard 100: Certificate# 2022OK2384 valid up to 31-10-2025; Global Recycled Standard (GRS): Certification# USB-00100209-MUL-2501; Issue date: 05-05-2025; valid up to 23-01-2026.

Site assessments

| | |
|--|---|
| Has the site assessed for negative impacts on the human rights, lands, resources, territories, livelihoods or food security of indigenous peoples or the local community? | No No, the site has not assessed for negative impacts on the human rights, lands, resources, territories, livelihoods or food security of indigenous peoples or the local community. |
| Has there been a Human Rights Impact Assessment (HRIA) conducted within the last three years at this site? | No No. There was no Human Rights Impact Assessment (HRIA) conducted at this site. |

Worker analysis

Gender disaggregated data available Men and women

Worker totals

| | Men | Women | Other | Total |
|--------------------------|-------------|-------------|-------|-------------|
| Number of workers | 310 (27.4%) | 820 (72.6%) | - - | 1130 (100%) |

Workers by type

| | Men | Women | Other | Total |
|--|-------------|-------------|-------|-------------|
| Permanent workers (employees) | 310 (27.4%) | 820 (72.6%) | - - | 1130 (100%) |
| Temporary or fixed term employees | 0 - | 0 - | - - | 0 (0%) |
| Agency or subcontracted workers | 0 - | 0 - | - - | 0 (0%) |
| Seasonal workers | 0 - | 0 - | - - | 0 (0%) |
| Self-employed workers | 0 - | 0 - | - - | 0 (0%) |
| Informal workers including home workers | 0 - | 0 - | - - | 0 (0%) |
| Apprentices, trainees or interns | 0 - | 0 - | - - | 0 (0%) |

* % of total workforce

Migrant workers

| | Men | Women | Other | Total |
|--------------------------------------|----------|-----------|-------|-------------|
| Domestic migrant workers | 63 (30%) | 147 (70%) | - - | 210 (18.6%) |
| International migrant workers | 0 - | 0 - | - - | 0 (0%) |
| Total migrant workers | 63 (30%) | 147 (70%) | - - | 210 (18.6%) |

* % of total workforce

Where workers have migrated internally, list the most common internal states workers have moved from

Workers are recruited from various districts across Bangladesh, including Norshingdi and Barishal. It is important to note that Bangladesh follows a uniform labor law system, with no district-specific variations in regulations. However, factories located within Export Processing Zones (EPZs) are subject to a separate set of specific laws applicable only within those zones.

Workers by age

| | Men | Women | Other | Total |
|---------------------------|-----------|-----------|-------|-------------|
| 18 - 24 years old | 180 (28%) | 463 (72%) | - - | 643 (56.9%) |
| 15 - 17 years old | 0 - | 0 - | - - | 0 (0%) |
| Under 15 years old | 0 - | 0 - | - - | 0 (0%) |

* % of total workforce

Is the worker analysis data relevant for peak season and current to the audit? Yes

Please list the nationalities of all workers, with the three most common nationalities listed first

Bangladeshi

Most common nationalities as approximate % of workforce

| | Men | Women | Other | Total |
|-------------|-----|-------|-------|-------|
| Bangladeshi | 27% | 73% | - | 100% |

Workers by remuneration type

| | Men | Women | Other | Total |
|--|-------------|-------------|-------|-------------|
| Workers paid per unit (piece rate) | 0 - | 0 - | - - | 0 (0%) |
| Workers paid based on a mix of 'piece work' and hourly rate | 0 - | 0 - | - - | 0 (0%) |
| Workers paid hourly / daily rate | 0 - | 0 - | - - | 0 (0%) |
| Salaried workers | 310 (27.4%) | 820 (72.6%) | - - | 1130 (100%) |

* % of total workforce

Workers by payment cycle

| | Men | Women | Other | Total |
|---------------------|-------------|-------------|-------|-------------|
| Paid daily | 0 - | 0 - | - - | 0 (0%) |
| Paid weekly | 0 - | 0 - | - - | 0 (0%) |
| Paid monthly | 310 (27.4%) | 820 (72.6%) | - - | 1130 (100%) |
| Other | 0 - | 0 - | - - | 0 (0%) |

* % of total workforce

If other payment cycle entered, please provide details

Not applicable, as the facility provides workers with a monthly salary.

People in managerial, supervisorial and administrative roles

| | Men | Women | Other | Total |
|--|------------|-----------|-------|-------|
| Employees in management positions | 84 (96.6%) | 3 (3.4%) | - - | 87 |
| Supervisors or team leaders | 23 (92%) | 2 (8%) | - - | 25 |
| Administrative staff | 6 (85.7%) | 1 (14.3%) | - - | 7 |

Worker interview summary

| | |
|---|---|
| Gender disaggregated data available | Men and women |
| Which methods of worker engagement were used? | Group interviews Individual interviews |

Digital worker survey participants

| | Men | Women | Other | Total |
|--|---|-------|-------|-------|
| Number of workers | - | - | - | - |
| Were any of the audit findings attributable to the survey? | | | | |
| Was the interview sample representative of all types of nationality and employment types of workers? | Yes | | | |
| Was the interview sample representative of the gender composition of the workforce? | Yes | | | |
| Number and size of group interviews | Total workers number was interviewed 08 in group (01 group of 04 workers), total 32 (Male: 08 and Female: 24) | | | |
| Did workers understand the purpose of the audit? | Yes | | | |
| Were interviews conducted in circumstances to ensure privacy, with the confidentiality of the interview process communicated to the workers? | Yes | | | |
| Was there any indication that workers had been 'coached' in how they should respond to questions? | No | | | |
| What was the general attitude of the workers towards their workplace? | Favorable | | | |

Attitude of workers

| | |
|---|---|
| In which areas did workers raise significant concerns or complaints? | Other (provide details) During interviews conducted with workers, no significant concerns or complaints were raised. Participants generally expressed satisfaction with working conditions, management practices, and workplace policies. This suggests a positive baseline in terms of labor relations and overall workplace environment at the time of assessment. |
| What did the workers like the most about working at this site? | Overtime Pay Facilities (e.g. rest area, recreation, canteen) Freedom of movement Work environment – comfort (e.g. temperature, noise or dust levels) Work atmosphere (e.g. treatment by supervisors) Grievance mechanisms |
| Additional comments | The factory fully cooperated with the audit process and allowed the auditors to conduct confidential interviews with workers, who were freely selected without any influence from factory management. A total of 54 workers were interviewed, comprising 16 males and 38 females. Interviews were conducted in 08 groups of 32, with the remaining 22 workers interviewed individually. All participants were assured of confidentiality and expressed their views openly. Workers displayed a cooperative attitude throughout the interview process. Feedback was generally positive such as workers reported satisfaction with management practices and wage payment. They stated they felt free to leave employment and understood the required notice period. Respectful relationships with supervisors and managers were noted, with workers feeling treated with dignity. Workers expressed satisfaction with working hours and rest breaks, which were in line with local labor laws. Overall, the interviews reflected a positive work environment and compliance with key labor standards. |
| Attitude of workers' committee/union representatives | The facility does not have a registered trade union; however, it has established a Selected Participation Committee (PC) instead of election. During interviews with PC representatives, the interviewees reported that facility management maintains a positive and respectful relationship with workers. They expressed that they are able to freely voice their opinions and concerns to management without fear of retaliation or negative consequences. This indicates that, while a formal trade union is not present, there are functional channels for worker representation and dialogue in place. |
| Attitude of managers | Throughout the audit, factory management demonstrated a courteous and professional attitude, providing the auditor with full access to all relevant documents, areas, and personnel. All requested documentation was made available in a timely and transparent manner. At the conclusion of the audit, a closing meeting was conducted with factory management to review and explain all findings, excluding information obtained from worker interviews, which remained confidential. The facility acknowledged all identified noncompliance's and expressed their commitment to improvement. Management formally accepted the Corrective Action Plan Report (CAPR) by signing and stamping the document. |

Workers interviewed by type

| | Total |
|--------------------------|-------|
| Permanent workers | 54 |

Workers interviewed by type

| | |
|--|-----------|
| Temporary or fixed-term employees | 0 |
| Agency or subcontracted workers | 0 |
| Seasonal workers | 0 |
| Other workers | 0 |
| Total number of workers interviewed | 54 |

Workers interviewed by group/individual

| | Men | Women | Other | Total |
|----------------------------------|-----|-------|-------|-------|
| Workers interviewed in groups | 8 | 24 | - | 32 |
| Workers interviewed individually | 8 | 14 | - | 22 |

Migrant workers interviewed

| | Men | Women | Other | Total |
|---|----------|----------|----------|-----------|
| Domestic migrant workers interviewed | 4 | 8 | - | 12 |
| International migrant workers interviewed | 0 | 0 | - | 0 |
| Total migrant workers interviewed | 4 | 8 | - | 12 |

Measuring workplace impact

Gender disaggregated data available Men and women

Annual worker turnover (%)*

| | Men | Women | Other | Total |
|---|-------|-------|-------|-------|
| Last full quarter (90 days) | 1.75% | 2.05% | - | 3.8% |
| Last full calendar year (2024) | 2.8% | 3.13% | - | 5.93% |
| Previous full calendar year (2023) | 2.5% | 4.97% | - | 7.47% |

* Number of workers leaving in last 12 months as a % of average total number of workers on site over the year.

Rate of absenteeism (%)*

| | Men | Women | Other | Total |
|---|-------|-------|-------|-------|
| Last full quarter (90 days) | 1.9% | 2.35% | - | 4.25% |
| Last full calendar year (2024) | 1.9% | 3.25% | - | 5.15% |
| Previous full calendar year (2023) | 2.15% | 4.75% | - | 6.9% |

Number of days lost through job absence in the year, calculated as: (Number of days lost through job absence in the year) / [(Number of employees on 1st day of the year + Number of employees on the last day of the year) / 2] * (Number of available workdays in the year).

Are accidents recorded? Yes

The facility employs a Medical Assistant/nurse, Ms. Roxi Khatun, who is responsible for providing primary first aid services under the supervision of the factory's Medical Officer, Dr. Lokman Khan. Ms. Khatun also maintains comprehensive records of all work-related accidents in accordance with applicable legal and company requirements. Dr. Lokman Khan is responsible for delivering medical treatment and conducting awareness training for all workers on the prevention and management of work-related accidents. According to the accident register, no major accidents have occurred at the factory in the past 12 months.

Annual number of work related accidents and injuries (per 100 workers)*

| | Men | Women | Other | Total |
|------------------------------------|-------|-------|-------|-------|
| Last full quarter (90 days) | 1.25% | 2.67% | - | 3.92% |
| Last full calendar year (2024) | 1.14% | 3.91% | - | 5.05% |
| Previous full calendar year (2023) | 2.12% | 3.73% | - | 5.85% |

* Calculated as (number of work related accidents and injuries * 100) / number of total workers.

Lost day work cases (per 100 workers)*

| | Men | Women | Other | Total |
|------------------------------------|-------|-------|-------|-------|
| Last full quarter (90 days) | 0.15% | 0.2% | - | 0.35% |
| Last full calendar year (2024) | 0.17% | 0.26% | - | 0.43% |
| Previous full calendar year (2023) | 0.47% | 0.32% | - | 0.79% |

* Calculated as (number of lost days due to work accidents and work related injuries * 100) / number of total workers.

Percentage of workers that work on average more than 48 total hours in a given week

| | Men | Women | Other | Total |
|------------------------------------|------|-------|-------|-------|
| Last full quarter (90 days) | 0.0% | 0.0% | - | 0.0% |
| Last full calendar year (2024) | 0.0% | 0.0% | - | 0.0% |
| Previous full calendar year (2023) | 0.0% | 0.0% | - | 0.0% |

Percentage of workers that work on average more than 60 total hours in a given week

| | Men | Women | Other | Total |
|--|-----|-------|-------|-------|
| | | | | |

Percentage of workers that work on average more than 60 total hours in a given week

| | | | | |
|------------------------------------|------|------|---|------|
| Last full quarter (90 days) | 0.0% | 0.0% | - | 0.0% |
| Last full calendar year (2024) | 0.0% | 0.0% | - | 0.0% |
| Previous full calendar year (2023) | 0.0% | 0.0% | - | 0.0% |

0. Enabling accurate assessment

Summary of findings

| Code area | Workplace requirement | Area of NC | Finding |
|--|---|------------|---------|
| No findings | | | |
| Systems and evidence examined to validate this code section | <p>Current system:</p> <ol style="list-style-type: none"> 1. The factory provided full access to the auditor, allowing the audit to be conducted and completed without any obstruction. This included access to all requested documents, interviewees, and the entire facility. 2. A complete set of records was provided by the facility for review from May 2024 to April 2025. 3. No bribe or any other form of inducement was offered to the auditors. 4. The facility maintains a written Human Rights Policy Statement, identified as Policy, and the latest revision date of the policy was 01 January 2025. This policy has been communicated to all levels of employees, ensuring awareness and adherence throughout the organization. 5. The factory submitted the Self-Assessment Questionnaire (SAQ) before the audit commenced. The location overview provided in the SAQ aligns with the on-site location introduction. 6. The facility has a written human rights policy statement that is approved at the most senior level. 7. The factory has business licenses (Factory License and Trade License) from the relevant authority. <p>Evidence examined:</p> <ul style="list-style-type: none"> -Policy and procedure -Company profile -Business license -Self-Assessment Questionnaire -Relevant records and document -Interview with management -Interview with workers | | |

0. Enabling accurate assessment

Data points

Has the site received an official notice, fine, prosecution, or withhold release order (WRO) for non-compliance with legislation, regulation, consent, or permits within the last three years, relating to Health and Safety, labour rights or the environment? No

Did any workers selected by the auditor decline to be interviewed? No

1. Employment is freely chosen

Management systems

| | |
|--|--|
| Develop and maintain relevant policies and procedures to ensure workplace requirements are met | Fundamental Improvements Required |
| Appoint a manager with sufficient seniority who is responsible for implementing procedures | Fundamental Improvements Required |
| Communicate and train employees and other workers, including managers and supervisors, on relevant policies and procedures | Some Improvements Recommended |
| Monitor the effectiveness of procedures to meet policy and workplace requirements | Some Improvements Recommended |
| Explanation for management systems grades | <p>1. Policies and Procedure:</p> <p>The facility has forced labor policy and responsibility for implementation was defined including policy effective and next review date to incorporate new changes for in line with standards and legal requirements. The policy well described on prohibition of forced labor, right to move freely without restrictions, prohibition on withholding of personal identification documents, no recruitment fees or deposits charged to employees etc. However, responsibility was not defined for implementation and monitoring of this policy. Also not included details of subjected to coercion, threats, penalties, or inhumane treatment, surveillance practices, intimidate or control workers etc.</p> <p>2. Resources:</p> <p>The facility has designated roles responsible for managing this Base Code Area, with the required skills and seniority to oversee Workplace Requirements. Md. Ashif Al Masum, is responsible for the implementation of the Code Area. However, it was noted that the responsible person lacks sufficient knowledge of Workplace Requirements and the ETI Code. Additionally, there is no structured HR and Compliance team in place to develop and sustain long-term compliance.requirements.</p> <p>3. Communication and Training:</p> <p>The facility has provided training and communicated the policy and procedures to all relevant workers. However, the facility has not conducted a Training Needs Assessment (TNA) to identify those who require additional training and communication, which is essential to ensure a high level of efficacy.</p> <p>4. Monitoring:</p> <p>The facility has established mechanisms to effectively oversee the implementation of these policies and procedures. When gaps are identified, corrective actions are taken based on a thorough root cause analysis. However, while the facility has a policy in place to provide every worker with a copy of the employee handbook, it was found that not all workers have received it. This highlights a gap in the implementation process, prompting a review to identify the root cause and ensure full compliance moving forward.</p> |

Summary of findings

| Code area | Workplace requirement | Area of NC | Finding |
|--|-----------------------|------------|--|
| No findings | | | |
| Systems and evidence examined to validate this code section | | | <p>Current system:</p> <ol style="list-style-type: none"> 1. All employment is voluntary and workers are not subjected to any form of forced, bonded, or involuntary labor. The facility has a forced labor policy identified by its name and review date. The latest revision date of the policy is 01 January 2025. 2. The facility provided workers with clear, understandable contracts outlining terms and conditions of employment in a language they understand. 3. The facility did not retain workers' passports, identification documents, or other personal papers as a condition of employment. 4. The facility allows all workers to resign with reasonable notice (60 days as per local law) without penalty or restriction. 5. The facility prohibits any form of coercion, threats, or intimidation to force employees to work. 6. The facility has communicated its workplace rules and regulations to the employees. 7. The factory is using CCTV for general facility safety. CCTV not used for the purpose of controlling or intimidating workers. 8. The terms and conditions of employment are stated in workers contact letter and company COC that the workers were free to leave the workplace outside of their working hours. 9. No deposit was required in the factory at the beginning of employment. The employees' original identification and personal documentation issued by government were not held by employer. 10. The facility adheres to international frameworks like the ILO Conventions (e.g., Convention No. 29 on Forced Labor) and UN Guiding Principles on Business and Human Rights. <p>Evidence examined:</p> <ul style="list-style-type: none"> -Checked personnel files of 54 sampled workers within the audit scope. -A documented policy on Forced Labor and Recruitment. -Recruitment procedures. -Personnel records of employees. -Records pertaining to hiring, dismissal, and deductions. -Resignation letters and termination records -Worker communication and grievance records -Appointment letters -Company employee handbook -Interviews with both management and workers. |

1. Employment is freely chosen

Data points

If required under local law, is there a published 'modern slavery' or similar statement? Not Applicable

Does the site utilise any workers who are prisoners? No

Does the site use the labour of persons required to work under any government scheme? No

1.A. Responsible recruitment and entitlement to work

Management systems

| | |
|--|---|
| Develop and maintain relevant policies and procedures to ensure workplace requirements are met | Fundamental Improvements Required |
| Appoint a manager with sufficient seniority who is responsible for implementing procedures | Fundamental Improvements Required |
| Communicate and train employees and other workers, including managers and supervisors, on relevant policies and procedures | Some Improvements Recommended |
| Monitor the effectiveness of procedures to meet policy and workplace requirements | Some Improvements Recommended |
| Explanation for management systems grades | <p>1. Policies and Procedure:</p> <p>The facility has responsible recruitment and hiring policy and responsibility for implementation was defined including policy effective and next review date to incorporate new changes for in line with standards and legal requirements. The policy well described on transparent ethical recruitment processes which is compliant with the local law and international standards. However, few clauses can be added in the policy regarding the protection of vulnerable groups from exploitation, process on identifying fraudulent documents and understanding legal requirements, number of leave days, overtime etc.</p> <p>2. Resources:</p> <p>The facility has designated roles responsible for managing this Base Code Area, with the required skills and seniority to oversee Workplace Requirements. Md. Ashif Al Masum, is responsible for the implementation of the Code Area. However, it was noted that the responsible person lacks sufficient knowledge of Workplace Requirements and the ETI Code. Additionally, there is no structured HR and Compliance team in place to develop and sustain long-term compliance.</p> <p>3. Communication and Training:</p> <p>The facility has provided training and communicated the policy and procedures to all relevant workers. However, the facility has not conducted a Training Needs Assessment (TNA) to identify those who require additional training and communication, which is essential to ensure a high level of efficacy.</p> <p>4. Monitoring:</p> <p>Md. Ashif Al Masum is responsible for monitoring the effectiveness of procedures to ensure compliance with both internal policies and external workplace standards, including the Base Code requirements. The facility has established mechanisms to effectively monitor the implementation of these policies and procedures. When shortfalls are identified, appropriate corrective actions are taken based on thorough root cause analysis. However although the facility has a policy in place to provide every worker with a copy of the employee handbook, it was found that not all workers have received it. This indicates a gap in the implementation process, prompting a review to identify the root cause and ensure full compliance moving forward.</p> |

Summary of findings

| Code area | Workplace requirement | Area of NC | Finding |
|--|-----------------------|------------|---|
| No findings | | | |
| Systems and evidence examined to validate this code section | | | <p>Current system:</p> <ol style="list-style-type: none"> 1. The facility has recruitment policy to ensure recruitment is without discrimination based on age, gender, religion, ethnicity, or other personal factors. The recruitment policy was identified by its name and review date. The latest revision date of the policy is 01 January 2025. 2. The facility provides a clear, written contracts in a language the worker understands, outlining wages, working hours, job responsibilities, and other employment terms. 3. Based from the review of employee attendance records and employee's interview, the facility has not employed any foreign nationals. 3. During the review of responsible recruitment practices and entitlement to work documents it was confirmed that the factory actively promotes fair and ethical recruitment processes, ensuring that employees are treated with respect and dignity. 4. Review of sample employment contracts, confirming that they clearly outline the terms of employment and comply with legal requirements. 5. The company provided new employee orientation training to ensure that the nature of work, working conditions, living conditions, employment terms, living costs, wages and benefits were communicated to workers during recruitment. Last orientation was provided on 15.05.2025. 6. The facility conducts survey periodically on sample basis of the workers as apart of due diligence to understand all workers are recruited legally and fairly. Last survey conducted on 1.02.2025. 7. The facility conducts internal and external audits to verify legal compliance and prevent labor exploitation. Last internal audit conducted on 20.05.2025. <p>Evidence examined:</p> <ul style="list-style-type: none"> -Checked personnel files of 54 sampled workers within the audit scope. -Recruitment policy and procedure -Employment contracts -Proof of right to work -Appointment letter for interviewed workers -Due diligence survey records -Interview with management and workers -List of applicable laws and regulations -Company rules |

1.A. Responsible recruitment and entitlement to work

Data points

Labour hire

| | |
|--|--|
| Does the site use labour providers and/or formal, temporary, seasonal or guest worker programmes? | Workers are recruited, selected, and hired directly by our company |
| How do the labour providers recruit and hire workers? | N/A - Recruitment providers not used |
| Where labour providers were used to recruit, what was the highest number of tiers identified in a workers recruitment journey? | 0 |
| Are there any subcontracted workers (excluding dispatched labour) on site? | No |
| Were all non-employee (e.g. agency or subcontracted) workers included within the scope of this audit for the purpose of document review and (if onsite on date of audit) interview? | Not Applicable |
| Were sufficient documents for non-employee (e.g. agency or other subcontracted) workers available for review? | Not Applicable |

Migrant workers

| | |
|--|-----|
| Do any workers migrate across international borders to work at this site? | No |
| Percentage of workers that are migrant | 18% |
| Do any workers migrate from other states, provinces or regions within the country to work at this site? | Yes |

List the sending states/provinces/regions

The facility employs 18.58% domestic migrant workers, who originate from various districts across Bangladesh, including Narshingdi and Borisal. It is important to note that Bangladesh follows a uniform labor law system, with no district-specific variations in regulations. However, factories located within Export Processing Zones (EPZs) are subject to a separate set of specific laws applicable only within those zones.

Recruitment fees

Were you able to detect recruitment fees and costs paid by workers during the recruitment and employment process? Not Applicable

Were recruitment fees or costs identified during worker interviews? No

Based on worker interviews and a review of relevant documentation, it was confirmed that no recruitment fees were charged to workers at any stage of the hiring process, in line with ethical recruitment practices.

2. Freedom of association and right to collective bargaining are respected

Management systems

| | |
|--|--|
| Develop and maintain relevant policies and procedures to ensure workplace requirements are met | Fundamental Improvements Required |
| Appoint a manager with sufficient seniority who is responsible for implementing procedures | Fundamental Improvements Required |
| Communicate and train employees and other workers, including managers and supervisors, on relevant policies and procedures | Some Improvements Recommended |
| Monitor the effectiveness of procedures to meet policy and workplace requirements | Robust Management Systems |
| Explanation for management systems grades | <p>1. Policies and Procedure: The facility has policy and procedure on Freedom of association and right to collective bargaining. The policy included effective date and revision number. However, responsibility was not defined for implementation and monitoring of this policy.</p> <p>2. Resources: The facility has designated roles responsible for managing this Base Code Area, with the required skills and seniority to oversee Workplace Requirements. Md. Ashif Al Masum, is responsible for the implementation of the Code Area. However, it was noted that the responsible person lacks sufficient knowledge of Workplace Requirements and the ETI Code. Additionally, there is no structured HR and Compliance team in place to develop and sustain long-term compliance.</p> <p>3. Communication and Training: The facility has provided training and communicated the policy and procedures to all relevant workers. However, the facility has not conducted a Training Needs Assessment (TNA) to identify those who require additional training and communication, which is essential to ensure a high level of efficacy.</p> <p>4. Monitoring: The facility has developed an internal auditing system to monitor the implementation of policies and the Base Code areas.</p> |

Summary of findings

| Code area | Workplace requirement | Area of NC | Finding |
|-----------|-----------------------|------------|---------|
| | No findings | | |

Systems and evidence examined to validate this code section

1. During the review document it is evident that the factory respects freedom of association and the right to collective bargaining without any form of discrimination, intimidation, or harassment. These policies demonstrate compliance with both local labor laws and international standards, such as ILO Conventions.
2. The facility has clear policy in place that outline the rights of workers to form and join trade unions, engage in meetings, and discuss labor matters freely.
3. The freedom of association policy was not well communicated with the workers.
4. The facility has Participation Committee (PC). Last election was conducted on 22.03.2025.
5. Last Participation Committee Meeting records 19. 05. 2025.
6. The participating committee 10 members, with representation from both sides: 05 members from the workers' side and 05 members from the management side.
7. The participating committee membership reflect the gender composition of the workforce Male 09 and Female 01.
8. The facility also placed suggestion or complaint boxes in different areas like toilet, etc for confidential reporting.

Evidence examined:

- Policy on freedom of association and collective bargaining
- Communication and training records
- Participation Committee documents
- Participation Committee meeting minutes
- Suggestion boxes opening records
- Grievance records log
- Interviews with management and workers

2. Freedom of association and right to collective bargaining are respected

Data points

| | |
|---|----------------|
| Are trade unions allowed by law in the national context? | Yes |
| Are there any registered trade unions in the workplace? | No |
| Are they active? | |
| Does the employer recognise the trade union? | Not Applicable |
| Are the worker representative bodies, trade union or otherwise, accessible to all workers, including more vulnerable workers (such as female, migrant, agency, and seasonal workers)? | Yes |
| Are the worker representatives freely elected by the workforce as a whole? | Yes |
| Does union/worker committee membership reflect the gender composition of the workforce? | Yes |
| Does the membership reflect the nationality composition of the workforce? | Yes |
| Has there been any industrial action (e.g. strikes, unrest, or cases raised to formal tribunals or labour courts) in the past two years? | No |

3. Working conditions are safe and hygienic

Management systems

| | |
|--|--|
| Develop and maintain relevant policies and procedures to ensure workplace requirements are met | Fundamental Improvements Required |
| Appoint a manager with sufficient seniority who is responsible for implementing procedures | Fundamental Improvements Required |
| Communicate and train employees and other workers, including managers and supervisors, on relevant policies and procedures | Some Improvements Recommended |
| Monitor the effectiveness of procedures to meet policy and workplace requirements | Fundamental Improvements Required |
| Explanation for management systems grades | <p>1. Policies and Procedure: The facility has policy and procedure on Health and safety. The policy included effective date and revision number. However, responsibility was not defined for implementation and monitoring of this policy.</p> <p>2. Resources: The facility has designated roles responsible for managing this Base Code Area, with the required skills and seniority to oversee Workplace Requirements. Md. Ashif Al Masum, is responsible for the implementation of the Code Area. However, it was noted that the responsible person lacks sufficient knowledge of Workplace Requirements and the ETI Code. Additionally, there is no structured HR and Compliance team in place to develop and sustain long-term compliance.</p> <p>3. Communication and Training: The facility has provided training and communicated the policy and procedures to all relevant workers. However, the facility has not conducted a Training Needs Assessment (TNA) to identify those who require additional training and communication, which is essential to ensure a high level of efficacy.</p> <p>4. Monitoring: The facility has developed an internal auditing system to monitor the implementation of the policy and the Base Code areas. However, through document review and discussions with management, it was revealed that the monitoring process is somewhat ineffective in maintaining sustainable health and safety standards. This has already resulted in non-conformities (NCs) in the health and safety section, with the potential for additional NCs to arise in the future.</p> |

Summary of findings

| Code area | Workplace requirement | Area of NC | Finding |
|-----------|-----------------------|------------|---------|
| | | | |

| | | | |
|--|---|------------------------|---------------------------------|
| 3. Working conditions are safe and hygienic | 3.G Provide sufficient first-aid supplies on site | Local law Base code | NC ZAF600976243 |
| | 3.M Ensure all machinery is installed, maintained and operated safely | Local law Base code | NC ZAF600976241 |
| | 3.N Maintain a log of all hazardous substances and wastes | Local law Base code | NC ZAF600976244 |
| | 3.O Implement an appropriate electrical safety programme | Local law Base code | NC ZAF600976242 |

Systems and evidence examined to validate this code section

Current system:

A. Safe Working Environment

- During document review, it is evident that the factory prioritizes safe and hygienic working conditions.
- The facility has developed a detailed health and safety policy, and it was communicated to workers through posting on the noticeboard and classroom training. The policy reference was numbered: AUS/25/6, with the last revision on 01.01.2025.
- The facility has provided adequate, clean drinking water at every work station. The source of drinking water is deep tubewell, and the facility preserves test reports for it as per WHO guidelines for drinking water quality. The last drinking water test was conducted on 04.07.2024, from the ICDDRB and Sample Lab ID No.: 202463214(VI)
- The facility has conducted air quality, dust level, noise and temperature assessment. The last air quality, noise level, and temperature test were conducted on 22.05.2025, tested by Green Touch BD.
- The facility has well equipped medical room as per local law which under the care of 01 MBBS doctor and 01 nursing staff. The name of the doctor was Mr. Dr. Md. Lokman Khan with BMDC Registration number-MBDC 7926 and the name of the Medical Assistant staff was Most. Rukcy Khatun with certificate number-25522
- The facility conducts annual medical examinations for the workers who work in hazardous situations (e.g. exposed to noise or dust etc.). The last medical examination was conducted on 16.07.2024

B. Risk Assessments

- The facility has conducted a health and safety risk assessment to identify and evaluate potential hazards arising from work activities.
- The facility reviews risk assessment at least annually, taking into account any incidents, near-misses, or audit findings. The last risk assessment was reviewed on 15.04.2025
- The facility monitors weather forecasts to predict extreme heat events and also places a thermometer on the production floor to monitor the temperature level. During the day of the audit, the highest temperature was 32 degrees Celsius.
- The facility risk assessment covered risks associated with extreme weather conditions, particularly heat stress, excessive height, building stability, etc.

C. Health & Safety Responsible

- The facility has assigned responsibility for health and safety to a competent senior management representative. Md. Sahidur Rahman Khan, Sr. Executive – HR, Admin & Compliance, is responsible for the Health and Safety management system.

D. Health & Safety Committee

- The facility has a health and safety committee which includes both workers and management representatives. The health and safety committee was selected by the facility & elected PC members, and the Safety Committee formation Date: 15-09-2024 (for 02 years); Total members: 10 persons (Workers: 05) Last Meeting date: 17.05.2025
- The committee consists of 10 representatives, 05 from workers' side and 05 from management side. -Both worker and management representatives meet once in every 03 month as per local law to discuss issues, review proposals, and communicate updates through notice board. As per the documentation, the last health and safety committee meeting was conducted on 17.05.2025

E. Health & Safety Training

- The facility has provided health and safety training for all new workers before being exposed to any workplace risks in relation to processes.
- The training covered hazard identification, handling hazardous substances, safe work practices, emergency procedures, and the proper use of personal protective equipment (PPE). As per the documentation, the last health and safety training was provided on 05.05.2025 and the last PPE issue date: 05.05.2025
- Continued health and safety training was also provided to all existing workers.
- Accurate records of all training sessions were maintained, including participant names, dates, topics covered, and trainer details.

F. First-aid Supplies

- The facility has designated trained first-aiders for each shift and work area. At least 02 first aiders were responsible for each first aid box. Total First Aid Box- 9, Total First Aider - 18. However, through documents review and workers interview it was noted that (1) The designated First Aiders have not received sufficient training in first aid

treatment. (2) The facility failed to appoint a new First Aider after the previous one left the factory, resulting in a shortage of trained personnel available to provide first aid support.

- The facility has 55 first aiders in the factory and interviewed first aiders confirmed that they had been trained by the factory doctor. Last First aid training was provided on 05.04.2025

- The facility has 13 first aid boxes available, first aid box is checked for the availability of first aid medicines daily basis by the factory nurse which meets the local legal requirement.

G. Personal Protective Equipment (PPE)

- The facility issued Personal Protective Equipment to the workers on free of cost to minimize exposure to workplace hazards that can cause injuries or illness.

- The facility has provided different types of PPEs based on the exposure to workplace hazards, which include gloves, eye protection, hearing protection, face masks, etc.

- The facility has provided training to workers on the proper use of PPE, maintenance and storage of PPE. The last PPE use training was provided on 05.05.2025, and the last PPE issue record was 31.05.2025

- The facility has a proper system to inspect and maintain PPE properly.

H. Records of Accidents

- The facility has a procedure for reporting accidents and near misses, and workers were aware of how and where to report incidents.

- The facility maintains a detailed and up-to-date logbook to record all types of incidents, overseen by the factory Medical Assistant staff was Most. Rukcy Khatun with certificate number -25522. According to the records, the most recent accident was a needle injury to a machine operator, recorded on 31.05.2025

- The facility conducts a thorough investigation for all incidents to conduct root cause analysis for corrective and preventive action.

- Through the interview, it was noted that the workers have the right to stop working if they reasonably believe their health or safety is in imminent danger.

I. Safety Certifications and Building Layout

- Through physical inspection, document review and management interviews, it was noted that There are 13 sheds in the premises. 12 out of 13 sheds are pre-fabricated steel structure and 01 RCC with tin shed building. There is another factory named 'De Carbon Headwear,' which specializes in cap manufacturing, which operations are located in separate shed buildings within the same premises and operate under the same ownership and management.

The organization has collected building construction approval date on 24-01-2024 by Local Government Engineering Department (LGED) Araihazar, Narayanganj and Chairman, Upozila Porisod, Araihazar, Narayanganj.

- Approved Building/Machine Layout Plan: Ref# 248/Dept. Director/Narayanganj; Approved date: 02-04-2024; by Department of Inspection for Factories and Establishments (DIFE), Narayanganj.

J. Fire Safety

- Factory Fire License: No# DD-Dhaka-25283/2015; Issue date: 21-05-2015 and valid till 30-06-2025 as Occupancy: G-2; by Fire Services and Civil Defense, Dhaka; Area Coverage: 95,000 Sq. Ft.

- The facility has conducted a Fire Risk Assessment (FRA), to identify potential hazards, evaluate risks, and implement safety measures to prevent fires and ensure safe evacuation.

- The facility has conducted fire safety, prevention, and evacuation training to an adequate number of workers, with all training records kept accurately and in an easily retrievable form. Fire Risk Assessment review date: 15.04.2025

- The facility has trained 76 firefighters, 73 rescuers and 74 first aiders to oversee fire safety, prevention, and evacuation procedures. Last firefighting training provided on 05.05.2025 (internal) & 15.12.2024 (external).

- The factory has installed required firefighting equipment, including fire extinguishers, hose reels, fire hydrant, fire extinguishers and placed in all key areas, such as production floors and high-risk areas. -They have below fire equipment: Carbon Dioxide Gas 12, ABC Dry Powder 70, Foam Type 6, Fire Hose Reel 16, Fire Hook 25, Fire Beater 26, Safety Helmet 35, Hand Gloves (Set) 40, Stretcher 10, Fire Bucket 28, Lock Cutter 20, Fire Escape Mask 35, Fire Blanket 25, Fire Alarm switch 20, Fire Alarm

Horn, First Aid Box 13, Fog Light 8, Ring Bell 20, Emergency Light 175, Smoke Detector 147, Exit Light 30

- The facility has installed a manual fire warning system, which is identified with appropriate signage and includes operating instructions for effective use. The factory has 20 fire alarm call points, 50 fire alarm sounders and 147 smoke detectors.
- The factory conducts regular inspections and servicing of all firefighting equipment to ensure proper functioning and compliance with safety standards. Last inspection conducted on 13.05.2025.
- Emergency exits were appropriately marked and lighted with 120 minutes secondary backup system.
- An evacuation plan was posted on each floor near the exit, showing the exit routes, fire equipment locations, and other safety details. The facility has posted 27 evacuation plans in different locations. They have 27 Fire Exits with fire doors in the facility.
- Aisles were marked with yellow lines, while red arrows indicate the direction to the emergency exit and the assembly point. The factory marked all walkways appropriately.
- The facility conducts mock fire drills quarterly by its qualified internal fire safety department and maintain records. The last fire drill was conducted as bellows:
 Internal day fire drill: Date: 18.02.2025; Attended: 1286 including 00 guest; Time of evacuation: 3 minutes 10 second; Conducted Md. Shajahan Badsha- Fire Safety officer;
 External fire Drill: Date: 05.05.2025; Attended: 1325 including 00 guest; Time of evacuation: 2 minutes 25 second;
- The facility has developed an Emergency Preparedness and Response Plan to safeguard employees and visitors during natural disasters or other potential emergencies. This plan outlines the required procedures for risk mitigation, evacuation, and emergency response. The plan was communicated to the workers through posting and training sessions.

K. Machine Safety

- The facility has machine safety procedures for ensuring the safety of operators.
- The facility has a preventive machine maintenance schedule and is inspected regularly by qualified mechanics.
- The facility has provided safety guards (e.g. eye guard, needle guard, etc.) with machines to ensure the protection of operators and workers from potential injuries. However, during facility walkthrough it was noted that (a) 03 out of 15 needle guard of sewing machines were displaced condition at sewing section on floor-1 of building-2 & building-3. (b) 02 out of 08 eye guards were displaced of overlock machine at sewing section on floor-1 of building-2 & building-3. (c) 02 out of 06 eye guards were missing of eyelet machine at sewing section on floor-1 of building-2 & building-3.

L. Chemical Safety

- The facility has conducted chemical risk assessment to identify, evaluate, and control the risks associated with exposure to chemicals.
- The facility maintains an accurate and up-to-date inventory of all chemicals. The inventory was updated on 02.05.2025.
- Safety Data Sheet (SDS) and Label were available for each chemical with essential information for safe handling, storage, and emergency response in case of accidents or exposure.
- The facility has placed spill containment kits and first aid supplies near to the chemical storage area.
- Eye wash stations are provided in chemical storage and spot room to handling areas to ensure safety. However, the eyewash station was found to have inadequate water pressure, which may compromise its effectiveness in providing proper emergency eye protection in spot room.
- The facility provides chemical safety training to the relevant workers on the safe handling, use, and disposal of chemical. Last training was provided on 12.05.2025.

M. Electrical Safety

- The facility has an electrical safety procedure for ensuring to ensure the protection of personnel and equipment from electrical hazards.
- The facility has a preventive electrical maintenance schedule and is inspected regularly by a qualified electrician. The facility has 02 electricians, namely Md. Sirajul Islam, permit number E202010004881, which is valid up to 04.12.2025; and Mohammad Rubel, permit number E20240053079, which is valid up to 24.10.2026 and Md. Mamur Hasan, permit number E20220026251, which is valid up to 04.01.2029.

Last electric maintenance record reviewed for April & May 2025
 -All electrical equipment was maintained in good condition. There was no immediate visibility.

- The generic cabling system for the building was designed according to local law. Permanent conduit wiring was in good condition with no broken junctions or wires sticking out at the ends of the conduit.
- Total MDB - 04 and SBD - 15 and done regular maintenance. Last maintenance records date month of May 2025, weekly maintenance records are kept. However, during the site visit, it was noted that there are loose electrical wires connected to sewing machines in Sewing Section (Shed-02 and Shed-03). These loose wires pose a tripping hazard to personnel working in or passing through the area, which could result in injury or equipment damage.

N. Social Facilities

- The facility has sufficient clean toilets segregated by gender that are available at all times to workers. There were 25 male toilets, 27 female toilets and 85 hand basins in each area in good condition, which meet local legal requirements.
- The factory cleaner cleans the toilets and wash areas hourly basis and a cleaning checklist is kept up to date.
- The toilets and wash areas were equipped with soap, hand sanitizers, toilet paper, and sanitary bins which meet local legal requirements.
- The facility has provided a dining hall for the workers as per local law and maintains in good condition.
- Workstations and work areas were tidy and clean, food storage facilities were provided for the workers in hygienic condition.
- The facility does not provide any living accommodation; workers are responsible for arranging their own housing.
- The facility does not provide any transportation; workers are responsible for arranging their own transport.

Evidence examined:

- Health and Safety Policy
- Fire License
- Building plan and floor layout plan
- Industrial accident records
- Health & Safety Committee meeting minutes
- Health and safety training records
- Drinking Water Test report
- Fire Drill records
- Firefighting training records
- Maintenance records
- Risk assessment records
- First aid training records
- Trained first aider certificates.
- Fire equipment maintenance records.
- Chemical list and MSDS for each chemical.
- Electrician operation permits.
- PPE adequacy evaluation records, PPE inventory and replacement records
- Occupational disease physical examination reports
- Health certificate

Findings: non-compliances

ZAF600976243

Non-compliance

Due 2025-07-19

Code area

3 Working conditions are safe and hygienic

Status

Open*

Workplace requirement

3.G Provide sufficient first-aid supplies onsite, and ensure that adequately trained personnel are available during all shifts.

Time given to resolve

30 days

Issue title

167 - No or inadequately trained first aiders

Verification method

Desktop audit

Description

Through documents review and workers interview it was noted that (1) The designated First Aiders have not received sufficient training in first aid treatment, limiting their ability to respond effectively in case of emergencies. (2) The facility failed to appoint a new First Aider after the previous one left the factory, resulting in a shortage of trained personnel available to provide first aid support.

Area of non-compliance/non-conformance

Local law

Base code

Corrective and preventative actions

It is recommended that the facility management should provide refresher training to the first aiders and replace who left the job with new first aiders in the production floor.

Local law reference

Bangladesh Labour Law-2006, section-89(3): Every first-aid box or cupboard shall be kept in charge of such a responsible person who is trained in first-aid treatment, and who shall be available during all working hours of the establishment.

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ZAF600976241

Non-compliance

Due 2025-07-19

Code area

3 Working conditions are safe and hygienic

Status

Open*

Workplace requirement

3.M Ensure all machinery is installed, maintained, and used in a safe manner.

Time given to resolve

30 days

Issue title

264 - Machines lack appropriate safety guards (e.g. eye or needle guards on sewing machines, belt/hand guards on other machines)

Verification method

Desktop audit

Description

Below machines safety related issues were noted during site visit: a. 03 out of 15 needle guard of sewing machines were displaced condition at sewing section on floor-1 of building-2 & building-3. b. 02 out of 08 eye guards were displaced of overlock machine at sewing section on floor-1 of building-2 & building-3. c. 02 out of 06 eye guards were missing of eyelet machine at sewing section on floor-1 of building-2 & building-3.

Area of non-compliance/non-conformance

Local law

Base code

Corrective and preventative actions

It is recommended that facility should provide effective training on safe machine operation in above mentioned area.

Local law reference

Bangladesh Labor Law 2006, Section 63(1) D (3): (63. Fencing of machinery. (1) In every establishment the following machinery, while in motion or in use, shall be securely fenced by the safeguards of substantial construction, namely: (d) Unless the following machinery are in such position or of such construction as to be safe to every person employed in the establishment as they would be if they were securely fenced- (3) Every dangerous part of any machinery).

Evidence



[Eye guards were displaced of overlock machine at sewing section.jpg](#)

[Eye guards were missing of eyelet machine at sewing section.jpg](#)

[Needle guard of sewing machines were displaced condition.jpg](#)



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ZAF600976244

Non-compliance

Due 2025-07-19

Code area

3 Working conditions are safe and hygienic

Status

Open*

Workplace requirement

3.N Maintain a log of all hazardous substances (e.g. chemicals and pesticides) on site. Ensure that these are managed appropriately at all times in line with safety instructions, including storage, use and disposal.

Time given to resolve

30 days

Issue title

242 - No/inadequate eye wash/shower station in hazardous environments including chemical areas

Verification method

Desktop audit

Description

During the site visit, it was observed that the facility has provided an isolated room for spot removal operations, equipped with an exhaust fan and an eyewash station. However, the eyewash station was found to have inadequate water pressure, which may compromise its effectiveness in providing proper emergency eye protection.

Area of non-compliance/non-conformance

Local law

Base code

Corrective and preventative actions

It is recommended that the facility ensure adequate water pressure at the eyewash station located in the spot removal operations area to provide effective emergency eye protection in the event of chemical exposure.

Local law reference

Bangladesh Labour Rules, 2015, Rule 86 (6)- One tap must be installed for every 15 (fifteen) workers who are to touch or handle hazardous and poisonous materials.

Evidence



[Eyewash station was found to have inadequate water pressure.jpeg](#)



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ZAF600976242

Non-compliance

Due 2025-08-18

Code area

3 Working conditions are safe and hygienic

Status

Open*

Workplace requirement

3.O Implement an appropriate electrical safety program to ensure that electrical hazards are reduced and controlled by appropriately qualified personnel.

Time given to resolve

60 days

Issue title

224 - Isolated occurrence of incorrect/damaged insulation in electicals including burnt/damaged wiring and plugs

Verification method

Desktop audit

Description

During the site visit, it was noted that there are loose electrical wires connected to sewing machines in Sewing Section (Shed-02 and Shed-03). These loose wires pose a tripping hazard to personnel working in or passing through the area, which could result in injury or equipment damage.

Area of non-compliance/non-conformance

Local law

Base code

Corrective and preventative actions

It is recommended to secure all loose electrical wires immediately using appropriate cable management solutions (e.g., cable trays, clips, or covers) to eliminated the risk of tripping. Conduct a thorough inspection of the area to ensure all wiring is safely routed and does not obstruct walkways or workstations.

Local law reference

Bangladesh Labor Rules 2015, Rule no 58 (7). All electric wiring and switchboards shall be made by 'concealed wiring' with non-conductor material.

Evidence



Loose electrical wire in
sewing sections.jpg



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3. Working conditions are safe and hygienic

Data points

| | |
|---|---|
| Is someone within the company responsible for health and safety? | Yes, senior manager or business owner |
| Do workers operate high risk or heavy machinery or vehicles as part of their jobs? | No |
| Do workers handle or have access to hazardous substances (e.g. chemicals or pesticides)? | No |
| Who organises accommodation for workers? | Workers independently arrange their own accommodation |
| Who organises worker transportation between accommodation and worksite? | Not applicable |
| Who organises worker transportation while at work? | Not applicable |
| Do all structural additions (e.g. added floors) have a valid permit/inspection report as per local law? | Not Applicable No structure additions were for the factory building. |
| Does the visual appearance of the building give you any immediate concerns about the structural integrity of the building? | No |
| Are there any cracks observed in the walls, floors, ceilings or other areas of the facility, both internally or externally? | No |
| Does the site have a structural engineer evaluation? | Yes |

4. Child labour shall not be used

Management systems

| | |
|--|--|
| Develop and maintain relevant policies and procedures to ensure workplace requirements are met | Fundamental Improvements Required |
| Appoint a manager with sufficient seniority who is responsible for implementing procedures | Fundamental Improvements Required |
| Communicate and train employees and other workers, including managers and supervisors, on relevant policies and procedures | Some Improvements Recommended |
| Monitor the effectiveness of procedures to meet policy and workplace requirements | Robust Management Systems |
| Explanation for management systems grades | <p>1. Policies and Procedure:</p> <p>The facility has child labour and young workers policy and procedure. The policy outlined the minimum age for hiring of young workers and employment of child labour as per relevant local laws. As per the policy, the facility did not recruit any child labour and discourages recruitment of workers below 18 years of age. Procedure was well defined age verification methodology for all workers before employment. However, policy was not referenced relevant law clauses, including ILO Conventions for minimum age and worst forms of child labour.</p> <p>2. Resources:</p> <p>The facility has designated roles responsible for managing this Base Code Area, with the required skills and seniority to oversee Workplace Requirements. Md. Ashif Al Masum, is responsible for the implementation of the Code Area. However, it was noted that the responsible person lacks sufficient knowledge of Workplace Requirements and the ETI Code. Additionally, there is no structured HR and Compliance team in place to develop and sustain long-term compliance.</p> <p>3. Communication and Training:</p> <p>The facility has provided training and communicated its policies and procedures to relevant workers. However, the facility has not conducted a Training Needs Assessment (TNA) to identify which employees require specific training and communication, which is essential for ensuring training effectiveness and overall compliance. Child Labour and Child Labour Remediation policy was not well communicated with the workers.</p> <p>4. Monitoring:</p> <p>The facility effectively monitors the implementation of policies and procedures, taking corrective action when shortfalls are identified through thorough root cause analysis. Md. Ashif Al Masum, oversees the effectiveness of these procedures to ensure compliance with both internal policies and Workplace Requirements, as well as the Base Code Area.</p> |

Summary of findings

| Code area | Workplace requirement | Area of NC | Finding |
|-----------|-----------------------|------------|---------|
| | | | |

No findings

Systems and evidence examined to validate this code section

Current system:

- There are no apparent concerns related to child labor at the factory.
- The factory has a policy in place to participate in and contribute to programs that provide for the transition of a child found to performing child labor in order to enable the child to attend and remain in quality education until no longer a child.
- No juvenile workers (under the age of 18) are employed at the factory.
- All practices regarding youth employment at the factory appear to be in line with ILO conventions.

The evidence examined during the audit included:

- Child Labour and Child Labour Remediation Policy.
- Personnel files of 54 sampled workers.
- Latest list of employees.
- Age proof documents like Computerized National Identity Card, Birth certificates and educational certificates.

4. Child labour shall not be used

Data points

| | |
|---|----------------|
| Percentage of workers that are age 24 or younger | 56% |
| Enter the legal age of employment | 14 |
| Enter the age of the youngest worker identified | 19 |
| Enter the number of workers under local legal minimum age | 0 |
| Enter the number of workers under 15 years old | 0 |
| Percentage of workers that are apprentices, trainees or interns | 0.0% |
| Were there children present on the work floor but not working at the time of audit? | No |
| Do children live at the accommodation provided to workers? | Not Applicable |

5. Legal wages are paid

Management systems

| | |
|--|---|
| Develop and maintain relevant policies and procedures to ensure workplace requirements are met | Fundamental Improvements Required |
| Appoint a manager with sufficient seniority who is responsible for implementing procedures | Fundamental Improvements Required |
| Communicate and train employees and other workers, including managers and supervisors, on relevant policies and procedures | Some Improvements Recommended |
| Monitor the effectiveness of procedures to meet policy and workplace requirements | Some Improvements Recommended |
| Explanation for management systems grades | <p>1. Policies and Procedure:</p> <p>The facility has policy and procedure on wages and benefits.. The policy included effective date and revision number. However, responsibility was not defined for implementation and monitoring of this policy. In addition, the facility can plan to provided wages through digital method instead of cash to prevent potential theft and cash handing.</p> <p>2. Resources:</p> <p>The facility has designated roles responsible for managing this Base Code Area, with the required skills and seniority to oversee Workplace Requirements. Md. Ashif Al Masum, is responsible for the implementation of the Code Area. However, it was noted that the responsible person lacks sufficient knowledge of Workplace Requirements and the ETI Code. Additionally, there is no structured HR and Compliance team in place to develop and sustain long-term compliance.</p> <p>3. Communication and Training:</p> <p>The facility has provided training and communicated the policy and procedures to all relevant workers. However, the facility did not conduct training need assessment (TNA) to understand of those who need to receive training and communications for ensuring a high level of efficacy.</p> <p>4. Monitoring:</p> <p>The facility has developed an internal auditing system to monitor the implementation of policies and Base Code areas. However, through document review and discussions with management, it was found that the monitoring process related to cash handling and the prevention of potential theft is ineffective in ensuring sustainable compliance.</p> |

Summary of findings

| Code area | Workplace requirement | Area of NC | Finding |
|-----------|-----------------------|-------------|---------|
| | | No findings | |

Systems and evidence examined to validate this code section

Current system:

- The Gazette Notification has been published on December 05, 2012. There are two separate pay structures; for the garment workers (Schedule A) 1. Unskilled Adult Worker- Tk. 3000, 2. Young Worker- Tk. 2500.
- The minimum wage paid by the factory was 8000 and above per month according to the wage records.
- Workers' wages were calculated by monthly rate. Workers' wages were calculated by monthly rate.
- All workers are provided with written and understandable information about their employment conditions in respect to wages before they enter employment and about the particulars of their wages for the pay period concerned each time that they are paid.
- Benefits of paid, annual leave, was given to all appropriate workers.
- The factory management compensated all workers at a legal mandated rate for their overtime hours, respectively 200% of regular pay for overtime work on working days.
- All employees are monthly salary basis and paid Grade category salary within 07 working days after each pay periods.
- The employees are paid salary in cash.

The evidence examined during the audit included:

- Worker interview
- Management interview
- Local and national laws
- Local legal minimum wage documents
- Payroll records from May 2024 to April 2025
- 54 samples from 1st April 2025 to 30th April 2025 (Current month)
- 54 samples from 1st December 2024 to 31st December 2024 (Random month)
- 54 samples from 1st June 2024 to 30th June 2024 (Random month)
- Leave records
- Social insurance and payment receipts from the local labour department
- Full & Final settlement records

5. Legal wages are paid

Data points

| | |
|--|--|
| What is the basic wage paid to workers? | The legal minimum wage |
| Does the site use digital payment methods (i.e. money paid directly into a bank account) to pay workers? | Does not use digital payments (give details) The employees are paid salary in cash. |
| How much as a percentage of their pay does a worker receive as 'payment-in-kind' benefits? | None |

Worker renumeration

| | |
|--|----------------|
| Which benefits are provided to permanent or full-time workers that are not provided to temporary or part-time workers? | Not applicable |
|--|----------------|

Summary information

| | | |
|--|--------------------------|----------------|
| Is legal wage/legally recognised CBAs data available for any of these options? | Monthly | |
| Is actual wage data available on site for any of these options? | Monthly | |
| Maximum legal working hours | Max hours per day | 8.0 |
| | Max hours per week | 48.0 |
| | Max hours per month | 208.0 |
| Actual required working hours | Required hours per day | 8.0 |
| | Required hours per week | 48.0 |
| | Required hours per month | 208.0 |
| Maximum legal overtime hours | Max hours per day | 4.0 |
| | Max hours per week | 24.0 |
| | Max hours per month | Non applicable |

| | | |
|------------------------------|---------------------|----------------|
| Actual overtime hours | Max hours per day | 2.0 |
| | Max hours per week | 12.0 |
| | Max hours per month | 38.0 |
| Minimum legal wage | Min per hour | Non applicable |
| | Min per day | Non applicable |
| | Min per week | Non applicable |
| | Min per month | 3000.0 |
| Actual minimum wage | Actual per hour | Non applicable |
| | Actual per day | Non applicable |
| | Actual per week | Non applicable |
| | Actual per month | 8000.0 |
| Minimum legal overtime wage | Min per hour | 17.78 |
| | Min per day | Non applicable |
| | Min per week | Non applicable |
| | Min per month | Non applicable |
| Actual minimum overtime wage | Actual per hour | 39.42 |
| | Actual per day | Non applicable |
| | Actual per week | Non applicable |
| | Actual per month | Non applicable |

Wage analysis

| | |
|---|--|
| Number of workers' records checked | 162 |
| Provide the date and details of the records | 54 samples from 1st April 2025 to 30th April 2025 (Current month) 54 samples from 1st December 2024 to 31st December 2024 (Random month) 54 samples from 1st June 2024 to 30th June 2024 (Random month) |
| Are there different legal minimum/ legally recognised CBAs wage grades? | Yes The Gazette Notification has been published on December 05, 2012. There are two separate pay structures; for the workers (Schedule A) 1. Unskilled Adult Worker- Tk. 3000, 2. Young Worker- Tk. 2500. |

| | |
|--|---|
| For the lowest paid workers, are wages paid for standard/contracted hours (excluding overtime) below or above the legal minimum/ legally recognised CBAs? | Above legal minimum |
| Indicate the breakdown of workforce per earnings | BDT 3,000 per month to Unskilled Adult Worker. -> 0.0% of workforce earning under minimum wage -> 0.0% of workforce earning minimum wage -> 100.0% of workforce earning above minimum wage |
| Are there any bonus schemes used? | Yes Two festival bonus equivalent to one basic during Eid Ul Fitr, and Eid Ul Azha (A big Muslim festival). |
| Were accurate records shown at the first request? | Yes |
| Were any inconsistencies found? | No |

5.A. Living wages are paid

Summary of findings

| Code area | Workplace requirement | Area of NC | Finding |
|--|--|---|---------------------------------|
| 5.A. Living wages are paid | 5.A.A Review workers' total pay including ben... 5.A.B Put in place a wage improvement plan th... | Base code | NC ZAF600976248 |
| | | Base code | NC ZAF600976249 |
| Systems and evidence examined to validate this code section | | <p>Current system: -Through document review and interviews with management, it was identified that the facility has not conducted a living wage analysis using internationally recognized methodologies, such as the "Anker Methodology". As a result, there is no structured assessment of the gap between the current actual minimum wage and the actual living wage or regional living costs. -It is recommended that the facility develop and implement a written living wage improvement plan. This plan should include a clear strategy to bridge the gap between the current actual minimum wage (BDT. 8000) and the living wage standard, with a defined timeframe for alignment.</p> <p>The evidence examined during the audit included: - Workers and management interview</p> | |

Findings: non-compliances

ZAF600976248

Non-compliance

Code area

5.A Living wages are paid

Status

Open*

Workplace requirement

5.A.A Review workers' total pay including benefits and compare it with a credible 'living wage' to calculate a 'living wage gap', and understand what proportion of the workforce has a gap.

Time given to resolve

Issue title

903 - CAR: A living wage gap analysis has not been completed

Verification method

Collaborative action required

Description

Through document review and interviews with management, it was identified that the facility has not conducted a living wage analysis using internationally recognized methodologies, such as the "Anker Methodology". As a result, there is no structured assessment of the gap between the current actual minimum wage and the actual living wage or regional living costs.

Area of non-compliance/non-conformance

Base code

Corrective and preventative actions

It is recommended that the facility should conduct a living wage analysis using an internationally recognized methodology, such as the "Anker Methodology." This will help accurately identify and address any gaps between the actual wage and the living wage.

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ZAF600976249

Non-compliance

Code area

5.A Living wages are paid

Status

Open*

Workplace requirement

5.A.B Put in place a wage improvement plan that aims to pay workers a living wage within a stated timeframe.

Time given to resolve

Issue title

905 - CAR: A wage improvement plan (with Living Wage as the goal) has not been completed

Verification method

Collaborative action required

Description

Through document review and management interviews, it was identified that the facility does not have a written improvement plan to align wages with the living wage standard within a defined timeframe. It is noted that the facility is currently providing BDT. 8000 to the workers though the legal minimum wage of the factory is BDT 3000.

Area of non-compliance/non-conformance

Base code

Corrective and preventative actions

It is recommended that the facility develop and implement a written living wage improvement plan. This plan should include a clear strategy to bridge the gap between the current actual minimum wage (BDT. 8000) and the living wage standard, with a defined timeframe for alignment.

* PDF generated at 09:50 (UTC) on 19 Jun 2025. [View this finding on the Sedex platform](#) for live updates and closure details.

6. Working hours are not excessive

Management systems

| | |
|--|--|
| Develop and maintain relevant policies and procedures to ensure workplace requirements are met | Robust Management Systems |
| Appoint a manager with sufficient seniority who is responsible for implementing procedures | Fundamental Improvements Required |
| Communicate and train employees and other workers, including managers and supervisors, on relevant policies and procedures | Some Improvements Recommended |
| Monitor the effectiveness of procedures to meet policy and workplace requirements | Robust Management Systems |
| Explanation for management systems grades | <p>1. Policies and Procedure:</p> <p>The facility has working hour and overtime hour policy aligned with local law and international standard and Code Areas. The policy was well described on standard working hours, overtime limitations, weekly rest day, break periods, public holidays etc.</p> <p>2. Resources:</p> <p>The facility has designated roles responsible for managing this Base Code Area, with the required skills and seniority to oversee Workplace Requirements. Md. Ashif Al Masum, is responsible for the implementation of the Code Area. However, it was noted that the responsible person lacks sufficient knowledge of Workplace Requirements and the ETI Code. Additionally, there is no structured HR and Compliance team in place to develop and sustain long-term compliance.</p> <p>3. Communication and Training:</p> <p>The facility has provided training and communicated the policy and procedures to all relevant workers. However, the facility did not conduct training need assessment (TNA) to understand of those who need to receive training and communications for ensuring a high level of efficacy.</p> <p>4. Monitoring:</p> <p>The facility has developed an internal auditing system to monitor the implementation of its policy and the relevant areas of the Base Code.</p> |

Summary of findings

| Code area | Workplace requirement | Area of NC | Finding |
|-------------|-----------------------|------------|---------|
| No findings | | | |

Systems and evidence examined to validate this code section

Current system:

- The factory has provided hours and wages records from May 2024 to April 2025.
- None of the selected employees work seven (7) consecutive days without one day rest.
- Friday is declared as holiday.
- Workers were conducted 01 shifts: 08.00 AM to 05.00 PM, Break time: 01:00 PM to 02.00 PM
- Based on employees' interview, it was noted that overtime is voluntary and every one can refuse overtime.
- All employees are given equal opportunity to work overtime.
- No work is performed at home.
- The employees mark their attendance by using the electronic time keeping system.
- Exception for 6 months; Government has exempted section 100 and 102 of the Bangladesh Labour Law-2006 publishing a Gazette notification in August 2011 as per section 324 Bangladesh Labour Law-2006 for 06 months relaxing daily overtime hours. In accordance with the Clause/Condition No. – 2 of this notification, no worker shall work more than 04 hours of overtime in any day without his/her consent.

Evidence examined:

- Working hours Policy & Procedure
- Time attendance records of 54 sampled workers
54 samples from 1st April 2025 to 30th April 2025 (Current month)
- 54 samples from 1st December 2024 to 31st December 2024 (Random month)
- 54 samples from 1st June 2024 to 30th June 2024 (Random month)
- Workers' personal interviews
- Management interview
- Local and national laws

6. Working hours are not excessive

Data points

| | |
|---|---|
| Is the sample size the same as in the wages section? | Yes |
| Normal day overtime premium as a percentage of standard wages | 200% |
| If the site pays an overtime premium of less than 125% and this is allowed under local law, are there other considerations? | The facility complies with local labor laws concerning overtime compensation, paying employees at 200% of their basic wage rate for overtime hours. |
| Excluding overtime, what are the regular working hours per week for workers at this site? | 48.0 |
| Including overtime, what is the average number of working hours per week for full-time workers at this site? | 50.0 |
| In the sample, what was the maximum number of hours worked in a single week, including overtime, for any worker at this site? | 60.0 |
| Maximum number of days worked without a day off in sample | 6 |

7. No discrimination is practiced

Management systems

| | |
|--|--|
| Develop and maintain relevant policies and procedures to ensure workplace requirements are met | Fundamental Improvements Required |
| Appoint a manager with sufficient seniority who is responsible for implementing procedures | Fundamental Improvements Required |
| Communicate and train employees and other workers, including managers and supervisors, on relevant policies and procedures | Some Improvements Recommended |
| Monitor the effectiveness of procedures to meet policy and workplace requirements | Robust Management Systems |
| Explanation for management systems grades | <p>1. Policies and Procedure: The facility has a policy and procedure on non-discrimination, which includes an effective date and revision number. However, the responsibility for implementing and monitoring this policy has not been clearly defined.</p> <p>2. Resources: The facility has designated roles responsible for managing this Base Code Area, with the required skills and seniority to oversee Workplace Requirements. Md. Ashif Al Masum, is responsible for the implementation of the Code Area. However, it was noted that the responsible person lacks sufficient knowledge of Workplace Requirements and the ETI Code. Additionally, there is no structured HR and Compliance team in place to develop and sustain long-term compliance.</p> <p>3. Communication and Training: The facility has provided training and communicated the policy and procedures to all relevant workers. However, the facility did not conduct training need assessment (TNA) to understand of those who need to receive training and communications for ensuring a high level of efficacy.</p> <p>4. Monitoring: Md. Ashif Al Masum, is responsible for monitoring the Base Code Area. The facility has a monitoring system in place to oversee the implementation of the policy and the Base Code Area. Additionally, the facility employs various methodologies to identify potential discrimination practices, including internal and external audits, as well as a grievance mechanism that allows workers to report discrimination or harassment without fear of retaliation.</p> |

Summary of findings

| Code area | Workplace requirement | Area of NC | Finding |
|-----------|-----------------------|-------------|---------|
| | | No findings | |

Systems and evidence examined to validate this code section

Current system:

- Factory has defined discrimination policy and procedure and as per policy factory is not engage in or support discrimination in hiring, compensation, access to training, promotion, termination, or retirement based on race, caste, national origin, religion, disability, gender, sexual orientation, union membership, or political affiliation.
- Factory has defined gender equity policy and procedure, and this document refers to the process of being fair to all genders by recognizing and addressing the different needs, barriers, and opportunities that people of different genders face. In the context of recruitment, training, development, and promotion, achieving gender equity involves ensuring that these processes are designed and implemented.
- Recruitment:
 - Job Ads & Descriptions: For recruitment advertisement the organization uses gender-neutral language and highlights the organization's commitment to diversity.
 - Selection Process: The facility applies consistent criteria and structured interviews to all candidates to reduce unconscious bias. Such as
 - Clearly define job requirements (skills, experience, education).
 - Use the same checklist or scoring system for all applicants.
 - Avoid changing the evaluation criteria based on the candidate's gender or background.
 - Build interview panels with varied backgrounds to provide multiple perspectives and reduce individual biases.
 - Equal Opportunity: The facility does not offer any specific job for one gender. They have no section for specific gender. Verified from the physical inspection and the workers interviewed, it was found that male or female are found in the different sections.
 - Non-Discriminatory Health Checks: Avoid health assessments that could lead to discrimination, such as pregnancy or HIV testing, unless legally mandated and applied equally to all candidates. Verified by the workers interview.
 - Training & Development: The organization follows gender equity regarding job-related training. Details are given below:
 - Access for All: Provide equal access to job-related training regardless of gender.
 - Tailored Support: Offer flexible learning schedules or support (e.g., childcare options) where needed, particularly for working mothers.
 - Awareness Building: Conduct training for all staff on gender sensitivity, harassment prevention, and unconscious bias.
 - Promotion:
 - Transparent Promotion Criteria: Define and communicate clear, measurable criteria for advancement to all employees. Regularly review these criteria to ensure they remain fair and unbiased.
 - Regular Audits: Conduct periodic reviews of promotion decisions to detect and address any patterns of inequality or bias.
 - Feedback Mechanisms: Implement systems that allow employees to provide feedback on promotion processes and decisions, ensuring their voices are heard and considered.
 - Workplace Culture & Policy:
 - Anti-Discrimination Policies: Non-discrimination policy is found posted on employee notification boards at production floors. As per policy prohibits discrimination in all employment practices, which is aligning with SMETA's standards.
 - Grievance Procedures: Establish clear procedures for employees to report discrimination or unfair treatment, ensuring complaints are addressed promptly and effectively.
 - Inclusive Facilities: Provide amenities such as quiet rooms for nursing mothers, respecting the needs of all employees and promoting inclusivity.
 - Workers with the same work and experience are paid equal.
 - Workers reported they are free to observe religious holidays.
 - During audit, through workers interview and documents review, no sign of discrimination was observed in the factory.
 - During audit it was confirmed that facility's environment is free from misbehavior activities, such as gesture, language and physical contact that is sexually coercive, threatening, abusive or exploitative.
 - Non-discrimination policy is found posted on employee notification boards at production floors.
 - Factory has equal employment opportunity policy.
 - Workers with the same work and experience are paid equal.
 - Workers reported they are free to observe religious holidays.
 - Workers are hired, compensated & promoted based on capability and merit without

any distinction, different social and ethnic background workers were found working in the factory.

The evidence examined during the audit included:

- Policy for gender equity
- Recruitment policy & procedures
- Promotion record
- Grievance policy and procedure
- Terms and condition of employment
- Training records

7. No discrimination is practiced

Data points

| | |
|---|--|
| Percentage of women workers in skilled or technical roles (e.g. where specific qualifications are needed, such as engineer/laboratory analyst)? | 0% |
| Representation of women in managerial roles (ratio of women workers to women managers) | 0% |
| Representation of women in supervisory roles (ratio of women workers to women supervisors) | 0% |
| Three most common nationalities in managerial and supervisory roles | Common nationalities in managerial and supervisory roles is Bangladeshi. |

8. Regular employment is provided

Management systems

| | |
|--|---|
| Develop and maintain relevant policies and procedures to ensure workplace requirements are met | Fundamental Improvements Required |
| Appoint a manager with sufficient seniority who is responsible for implementing procedures | Fundamental Improvements Required |
| Communicate and train employees and other workers, including managers and supervisors, on relevant policies and procedures | Some Improvements Recommended |
| Monitor the effectiveness of procedures to meet policy and workplace requirements | Robust Management Systems |
| Explanation for management systems grades | <p>1. Policies and Procedure: The facility has a policy and procedure in place for recruitment and hiring, which includes the effective date and revision number. However, the responsibility for the implementation and monitoring of this policy has not been clearly defined.</p> <p>2. Resources: The facility has designated roles responsible for managing this Base Code Area, with the required skills and seniority to oversee Workplace Requirements. Md. Ashif Al Masum, is responsible for the implementation of the Code Area. However, it was noted that the responsible person lacks sufficient knowledge of Workplace Requirements and the ETI Code. Additionally, there is no structured HR and Compliance team in place to develop and sustain long-term compliance.</p> <p>3. Communication and Training: The facility has provided training and communicated the policy and procedures to all relevant workers. However, the facility has not conducted a Training Needs Assessment (TNA) to identify those who require additional training and communication, which is essential to ensure a high level of efficacy.</p> <p>4. Monitoring: The facility has developed an internal auditing system to monitor the implementation of policies and Base Code areas.</p> |

Summary of findings

| Code area | Workplace requirement | Area of NC | Finding |
|-----------|-----------------------|-------------|---------|
| | | No findings | |

Systems and evidence examined to validate this code section

Current system:

- During audit it was noted that employment in the factory is based on recognized employment relationship established through national labour law & regulations.
- Factory has maintained employment contract of workers in their personal files.
- No casual and seasonal were found hired in the factory during document review, facility visit and worker's interview.
- No home workers /apprentices/student's workers are employed by the facility.
- Workers do not pay recruitment fee at any stage of the recruitment process.

The evidence examined during the audit included:

- Recruitment and hiring
- Leave records
- Employment Agreements
- Management interviews
- Worker interviews

8. Regular employment is provided

Data points

Percentage of workers that are permanently or temporarily employed 100.0%

Percentage of workers that have been engaged via irregular, sub-contracted or non-employment models of labour, rather than permanent or temporary contracts of employment 0.0%

Percentage of workers employed as apprentices, trainees or interns 0.0%

8.A. Sub-contracting and homeworkers are used responsibly

Management systems

| | |
|--|--|
| Develop and maintain relevant policies and procedures to ensure workplace requirements are met | Fundamental Improvements Required |
| Appoint a manager with sufficient seniority who is responsible for implementing procedures | Fundamental Improvements Required |
| Communicate and train employees and other workers, including managers and supervisors, on relevant policies and procedures | Some Improvements Recommended |
| Monitor the effectiveness of procedures to meet policy and workplace requirements | Robust Management Systems |
| Explanation for management systems grades | <p>1. Policies and Procedure: The facility has a sub-contracting and homeworkers policy, which includes the effective date and revision number. However, the responsibility for the implementation and monitoring of this policy has not been clearly defined.</p> <p>2. Resources: The facility has designated roles responsible for managing this Base Code Area, with the required skills and seniority to oversee Workplace Requirements. Md. Ashif Al Masum, is responsible for the implementation of the Code Area. However, it was noted that the responsible person lacks sufficient knowledge of Workplace Requirements and the ETI Code. Additionally, there is no structured HR and Compliance team in place to develop and sustain long-term compliance.</p> <p>3. Communication and Training: The facility has provided training and communicated the policy and procedures to all relevant workers. However, the facility did not conduct training need assessment (TNA) to understand of those who need to receive training and communications for ensuring a high level of efficacy.</p> <p>4. Monitoring: The facility has developed an internal auditing system to monitor the implementation of the policy and Base Code areas. However, the facility does not utilize any external processes for this purpose.</p> |

Summary of findings

| Code area | Workplace requirement | Area of NC | Finding |
|-------------|-----------------------|------------|---------|
| No findings | | | |

Systems and evidence examined to validate this code section

Current system:

- Based on interactions with facility management and employee interviews, it was noted that the facility does not engage in any external processing activities.
- The facility does not employ any home-based workers.

The evidence examined during the audit included:

- Facility policy on identifying and monitoring the suppliers and sub-contractors
- Inward and out ward material register.
- Production records.
- Interaction with management
- Gate passes and inward outward goods register

8.A. Sub-contracting and homeworkers are used responsibly

Data points

Are homeworkers employed directly or engaged through an agent? Not applicable

Gender disaggregated data available

Number of homeworkers used

| | Men | Women | Other | Total |
|-------------------|-----|-------|-------|-------|
| Number of workers | - | - | - | - |

What processes are carried out by homeworker?

Are full records of homeworkers available at the site?

Does the supplier buy products or services from suppliers that use homeworkers?

No

The facility does not procure products or services from sources that employ homeworkers. It ensures that all workers throughout the supply chain operate in regulated and legally compliant environments that uphold ethical standards and labor laws. Based on available records, no homeworkers are employed at the facility.

Sub-contracting

Are there any concerns about unrecorded work or undeclared sub-contracting on site, giving considerations to the workers' capacity?

No

The facility is a garment accessories factory where all production processes are conducted in-house, with no subcontracting involved at any stage of manufacturing.

Are any sub-contractors used?

No

9. No harsh or inhumane treatment is allowed

Management systems

| | |
|--|--|
| Develop and maintain relevant policies and procedures to ensure workplace requirements are met | Fundamental Improvements Required |
| Appoint a manager with sufficient seniority who is responsible for implementing procedures | Fundamental Improvements Required |
| Communicate and train employees and other workers, including managers and supervisors, on relevant policies and procedures | Some Improvements Recommended |
| Monitor the effectiveness of procedures to meet policy and workplace requirements | Fundamental Improvements Required |
| Explanation for management systems grades | <p>1. Policies and Procedure: The facility has a policy against harsh or inhuman treatment, which includes the effective date and revision number. However, the responsibility for the implementation and monitoring of this policy has not been clearly defined.</p> <p>2. Resources: The facility has designated roles responsible for managing this Base Code Area, with the required skills and seniority to oversee Workplace Requirements. Md. Ashif Al Masum, is responsible for the implementation of the Code Area. However, it was noted that the responsible person lacks sufficient knowledge of Workplace Requirements and the ETI Code. Additionally, there is no structured HR and Compliance team in place to develop and sustain long-term compliance.</p> <p>3. Communication and Training: The facility has provided training and communicated the policy and procedures to all relevant workers. However, the facility did not conduct training need assessment (TNA) to understand of those who need to receive training and communications for ensuring a high level of efficacy.</p> <p>4. Monitoring: The facility has developed an internal auditing system to monitor the implementation of the policy and the Base Code areas. However the facility has not appointed a welfare officer to oversee the grievance process. Additionally, management staff demonstrated a lack of awareness regarding the grievance communication channels, applicable grievance regulations, the investigation process, and the appeal procedures.</p> |

Summary of findings

| Code area | Workplace requirement | Area of NC | Finding |
|--|--|------------|---------------------------------|
| 9. No harsh or inhumane treatment is allowed | 9.H Implement a formal process for workers to... | Base code | NC ZAF600976245 |

Systems and evidence examined to validate this code section

Current system:

- The company has established the Grievance Handling Procedure and Disciplinary Procedure in line with the legal requirements.
- Factory has policy of progressive disciplinary action; no physical and mental abuses are used as disciplinary measures.
- Facility has formed the grievance committee to handle work related the grievances.

The evidence examined during the audit included:

- Factory policy and procedure
- Observation during walk through of the facility
- Worker's interview and discussion
- Management interview and discussion
- Records of factory disciplinary actions
- Grievance Mechanisms

Findings: non-compliances

ZAF600976245

Non-compliance

Due 2025-07-19

| | |
|---|---|
| Code area | Status |
| 9 No harsh or inhumane treatment is allowed | Open* |
| Workplace requirement | Time given to resolve |
| 9.H Implement a formal process for workers to be able report grievances (concerns, complaints, or problems) without fear of retaliation. The grievance mechanism should be legitimate, accessible, predictable, equitable, transparent, rights-compatible, continuously improving and based on engagement and dialogue. | 30 days |
| Issue title | Verification method |
| 583 - Lack of a detailed grievance procedure that has been communicated to all workers | Desktop audit |
| Description | Area of non-compliance/non-conformance |
| Through document review and interviews with management and workers, it was noted that the facility has developed an open-door grievance policy and procedure to support an effective operational-level grievance mechanism. However, the facility has not appointed a welfare officer to oversee the grievance process. Additionally, management staff demonstrated a lack of awareness regarding the grievance communication channels, applicable grievance regulations, the investigation process, and the appeal procedures. | Base code |
| Corrective and preventative actions | |
| It is recommended that the facility management should appointed a welfare officer and conduct refresher training for all workers and management staff to improve awareness of the grievance communication channel, regulations, investigation process, and appeal process. | |

* PDF generated at 09:50 (UTC) on 19 Jun 2025. [View this finding on the Sedex platform](#) for live updates and closure details.

9. No harsh or inhumane treatment is allowed

Data points

| | |
|---|---|
| Is there a formal process for workers to report concerns, complaints, or problems ('grievance mechanism')? | Yes, there is a formal grievance process The grievance process is available to all workers |
| What type of grievance mechanism(s) are available? | Workers can submit complaints or suggestions through the designated complaint and suggestion boxes. Additionally, they have the opportunity to raise concerns and share feedback with worker representatives. |
| Number of grievances raised in the last 12 months | 0 |
| Number of grievances resolved in the last 12 months | 0 |

10.A. Environment 2-Pillar

Management systems

| | |
|--|--|
| Develop and maintain relevant policies and procedures to ensure workplace requirements are met | Fundamental Improvements Required |
| Appoint a manager with sufficient seniority who is responsible for implementing procedures | Fundamental Improvements Required |
| Communicate and train employees and other workers, including managers and supervisors, on relevant policies and procedures | Some Improvements Recommended |
| Monitor the effectiveness of procedures to meet policy and workplace requirements | Robust Management Systems |
| Explanation for management systems grades | <p>1. Policies and Procedure: The facility has environmental policy. The policy included effective date and revision number. However, responsibility was not defined for implementation and monitoring of this policy.</p> <p>2. Resources: The facility has designated roles responsible for managing this Base Code Area, with the required skills and seniority to oversee Workplace Requirements. Md. Ashif Al Masum, is responsible for the implementation of the Code Area. However, it was noted that the responsible person lacks sufficient knowledge of Workplace Requirements and the ETI Code. Additionally, there is no structured HR and Compliance team in place to develop and sustain long-term compliance.</p> <p>3. Communication and Training: The facility has provided training and communicated the policy and procedures to all relevant workers. However, the facility did not conduct training need assessment (TNA) to understand of those who need to receive training and communications for ensuring a high level of efficacy.</p> <p>4. Monitoring: The facility has developed an internal auditing system to monitor the implementation of policies and Base Code areas.</p> |

Summary of findings

| Code area | Workplace requirement | Area of NC | Finding |
|-----------|-----------------------|-------------|---------|
| | | No findings | |

Systems and evidence examined to validate this code section

Current system:

- The facility has its policy on environmental protection
- The facility has agreement with contractor for the management of waste disposal.
- Based on management interaction, the facility is aware of the environmental requirements of clients.
- Facility has provided training on waste disposal to the workers.

The evidence examined during the audit included:

- Environmental Policy
- Environmental Management System (EMS) Documentation.
- Environmental Impact Assessments.

10.A. Environment 2-Pillar

Data points

| | |
|---|--|
| Has the site received an official notice, fine or prosecution for any non-compliances with environmental legislation, regulation, consent or permits (within the last three years)? | No |
| Does the site have any valid environmental or energy management certificates? | The factory did not obtain any certificates. |
| Are there any other sustainability certifications present (e.g. Forest Stewardship Council (FSC), Marine Stewardship Council (MSC))? | No |
| Has the site implemented or made plans to implement any adaptive measures to protect workers from the impact of climate change? | No |

10.B. Environment 4-Pillar

Summary of findings

| Code area | Workplace requirement | Area of NC | Finding |
|--|--|---|---------------------------------|
| 10.B. Environment 4-Pillar | 10.B.F Have and communicate policies and proc... | Base code | NC ZAF600976246 |
| Systems and evidence examined to validate this code section | | <p>Current system:</p> <ul style="list-style-type: none"> • Through onsite inspection, interviews and document review, no violation of environment pollution was observed. The factory had established an environmental policy, covering their environmental impact, which is communicated to all appropriate parties. • The factory is maintained relevant policy, procedures and test reports as per law. <p>The evidence examined during the audit included:</p> <p>The evidence examined during the audit included:</p> <ul style="list-style-type: none"> -Environmental policy and procedure, -Different types of records for energy and water consumption, -Verified Environmental Impact Assessment. | |

Findings: non-compliances

ZAF600976246

Non-compliance

Due 2025-07-19

| | |
|--|---|
| Code area | Status |
| 10.B Environment 4-Pillar | Open* |
| Workplace requirement | Time given to resolve |
| 10.B.F Have and communicate policies and processes, endorsed at the highest level, that includes commitments to improve environmental performance and an approach to managing environmental impacts on relevant stakeholders | 30 days |
| Issue title | Verification method |
| 603 - No competent individual responsible for coordinating the site's efforts to improve environmental performance | Desktop audit |
| Description | Area of non-compliance/non-conformance |
| During the document review and management interview it is noted that, there is no competent individual responsible for coordinating the site's efforts to improve environmental performance. | Base code |
| Corrective and preventative actions | |
| The factory is recommended to designate a competent individual/resource who is responsible for coordinating the site's efforts to improve environmental performance. | |

* PDF generated at 09:50 (UTC) on 19 Jun 2025. [View this finding on the Sedex platform](#) for live updates and closure details.

10.B. Environment 4-Pillar

Data points

| | |
|--|--|
| Has the site conducted a risk assessment on the environmental impact of the site, including implementation of controls to reduce identified risks? | Yes |
| What additional specific environmental policies does the site capture? | Responsible use and management of water |
| Is there a system for managing client's requirements and legislation in the destination countries regarding environmental and chemical issues? | <p>Yes</p> <p>The facility has a system in place to manage client requirements and comply with environmental and chemical regulations applicable in destination countries.</p> |
| Does the site have reduction targets in place to manage climate related risks? | Yes, to reduce scope 2 greenhouse gases (GHGs) |
| Are any of these science-based targets? | Yes, they have been or will be reviewed by the Science Based Targets initiative (SBTi) |
| Does the site have reduction targets in place for environmental aspects (e.g. water consumption and discharge, waste, energy and green-house gas emissions: (Scope 1, 2 & 3))? | No |
| Has the site checked that any sub-contracting agencies or business partners operating on the premises have the appropriate permits and licences and are conducting business in line with environmental expectations of the facility? | Not Applicable |

Usage/discharge analysis

| | Last full calendar year (2024) | Previous full calendar year (2023) |
|--|--------------------------------------|------------------------------------|
| Total electricity consumption from non-renewable sources (kWh) | 464,193 | 370,731 |
| Total electricity consumption from renewable sources (kWh) | 394.6 | Data not available |
| Sources of renewable energy used | Other (provide details) Solar | None |

| | | |
|--|-----------------|--------------------|
| Types of renewable energy used | Solar | Data not available |
| Total natural gas consumption (kWh) | 0 | 0 |
| Usage of other purchased fuels | Diesel | Diesel |
| Has the site completed any carbon footprint analysis? | No | No |
| Water sources | Ground Water | Ground Water |
| Does the site use mercury or mercury compounds? | No | No |
| Water volume used (m3) | 2,318.5 | 2,029.7 |
| Water discharged | Drainage System | Drainage System |
| Water volume discharged (m3) | 2,318.5 | 2,029.7 |
| Water volume recycled (m3) | 0 | 0 |
| Total waste produced (mt) | 31.9 | 18.1 |
| Total hazardous waste produced (mt) | 0.8 | 0.2 |
| Waste to recycling (mt) | 0 | 0 |
| Waste to landfill (mt) | 0 | 0 |
| Waste to other (mt) | 31.1 | 17.9 |
| Total product produced (mt) | 1,711 | 2,912 |