

Sedex Members Ethical Trade Audit Report

Version 7



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Audit content

(1) A SMETA audit was conducted which included some or all of Labour Standards, Health & 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 following Code Areas:

Included in a 2-Pillar audit:

1. Labour Standards Code Areas:
 - 0: Enabling accurate Assessment
 - 1: Employment is Freely Chosen
 - 1.A: Responsible Recruitment & 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
2. Health & Safety Code Area:
 - 3: Working Conditions are Safe and Hygienic
3. Environment Code Area:
 - 10.A: Environment 2-Pillar

Included in a 4-Pillar audit:

1. Labour Standards Code Areas
 - As 2-pillar
2. Health & Safety Code Area
 - As 2-pillar
3. Environment Code Area:
 - 10.A: Environment 2-Pillar
 - 10.B: Environment 4-Pillar
4. Business Ethics Code Area:
 - 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 and site details

Audit details

Sedex company reference	ZC1068250	Auditor company name	International Associates Limited
Date of audit	2024-12-02	Audit conducted by	Sedex member
Audit pillars	Labour Standards Health and safety Environment 4-Pillar Business ethics		

Site details

Sedex site reference	ZS404646833	Site name	Kores Bangladesh PLC
Business name	Kores Bangladesh PLC.	Site address	1430 Khardogoshpara, Mouchak, Sanarpar, Siddirgonj, 314/A,Road no:18, Block:E, Bashundhara R/A, Dhaka, Bangladesh., Narayanganj, BD
Site phone	01821959090	Site email	groupdirector@bdg.com.bd

Audit parameters

Time in and out	Day 1	
	In	09:28
	Out	17:42
Audit type	Full initial	
Was the audit announced?	Semi announced	
Was the Sedex SAQ available for review?	Yes	
Who signed and agreed CAPR?	Major (retd.) MD Moshiur Rahman / Director	
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.		
Reason for absence during the audit	There is no trade union at this facility. Hence, the union representatives were not 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.		

SMETA declaration

Auditor team

SMETA declaration

I declare that the audit underpinning the following report was conducted in accordance with SMETA Minimum Requirements and the SMETA Auditor Manual.

1. 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.
2. Any non-conformance against customer code alone shall not be uploaded to Sedex, and will be shared directly with the customer in question.

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.

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

Foyisal Ahammed

APSCA Number

21701426

Sihab Hasan

APSCA Number

32200134

Date of declaration

2024-12-02

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	Major (retd.) MD Moshiur Rahman
Title	Director
Date of declaration	2024-12-02



































Summary of findings


Code area	Workplace requirement	Local law	Finding
0. Enabling accurate assessment	0.C Provide an accurate site description and ...	§1	NC ZAF600740580
2. Freedom of association and right to collective bargaining are respected	2.B Not prohibit, discourage or interfere wit...	§2	NC ZAF600740581
3. Working conditions are safe and hygienic	3.D Form a health and safety committee (or in...	§3	NC ZAF600740582
	3.H Where identified as necessary to reduce r...	§4	NC ZAF600740583
	3.L Implement effective processes to manage f...	§5	NC ZAF600740584
	3.B Conduct risk assessments regarding the po...	§6	NC ZAF600740585
	3.L Implement effective processes to manage f...	§7	NC ZAF600740586
5. Legal wages are paid	5.A Ensure that all workers (including non-em...		GE ZAF600740587
10.A. Environment 2-Pillar	10.A.B Comply with relevant local, regional a...	§8	NC ZAF600740588
5.A. Living wages are paid	5.A.A Review workers' total pay including ben...		NC ZAF600740589


Local law issues


§1	Bangladesh Labor Rules 2015, Rule 355(2): Validity of each of licenses shall continue up to 30 June of the financial year in which the license will be sanctioned.
§2	Bangladesh Labour Law 2006, Section 205(6). The workers' representatives shall be elected in accordance with the rules, where there is no trade union in the organization.
§3	Bangladesh Labor Rules 2015, Rule 81 (6).The Chairperson of the committee and Employers' Representatives shall be nominated by the Owner or Managing Director of the factory or industrial establishment and Co-Chairperson and Workers' Representatives shall be nominated by the Collective Bargaining Agent (CBA) or the Workers' Representatives to the Participation Committee from workers employed thereof.
§4	Bangladesh Labor Rules, 2015, rule 67 (2): In addition to the arrangement of safety and health protection measures mentioned in Sub-section (1), the concerned manufacturing institute must provide necessary equipment, including safety shoes, helmets, goggles, masks, hand gloves, ear muffs, ear plugs, waist belts, aprons etc. and arrange training programs for the workers in using these materials and ensure their usage.
§5	Bangladesh Labour Rules 2025, rule 55 (8) The arrangement should be made to show evacuation plan of exit in one or more places easily visible in each floor of each floor of the factory.
§6	Bangladesh Labour Rules 2025, rule 55 (8) The arrangement should be made to show evacuation plan of exit in one or more places easily visible in each floor of each floor of the factory.
§7	Bangladesh Labour Rules, 2015, rule 55 (1: d): A hose reel should be set up in a place approved by the inspector as per the specification of the fire service department on each floor for each 850 sqmt space of each building and there will be the arrangement of uninterrupted water supply in it and it should be tested at least once a year. But provided that the inspector general can relax the compliance of the provisions of this paragraph in case of any factory after recording it being confirmed about the alternative measure of the fire fighting.
§8	Bangladesh Environment Conservation Act, 1995, section 12 (No industrial unit or project shall be established or undertaken without obtaining, in the manner prescribed by rules, an Environmental Clearance Certificate from the Director General.)


Management systems

















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


 Not addressed


 Fundamental improvements required


 Some improvements recommended


 Robust management systems

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

 Not addressed

 Fundamental improvements required

 Some improvements recommended

 Robust management systems

Site details

Company and site details

Sedex company reference	ZC1068250	
Sedex site reference	ZS404646833	
Company name	Kores Bangladesh PLC.	
Business ownership type	GOODS	
Site name	Kores Bangladesh PLC	
Site name in local language		
GPS location	GPS address	Khardogoshpara, Mouchak, Sanarpar, Siddirgonj, Bangladesh.
	Coordinates	Latitude: 23.6959375, Longitude: 90.4919876
Is the worksite in a remote location, far from habitation?	No	
Site contact	Contact name	Md. Abu Shaid Khan
	Job title	Assistant Manager (HR, Admin & Compliance)
	Phone number	01821959090
	Email	groupdirector@bdg.com.bd
Applicable business and other legally required business license numbers and documents	Incorporation Certificate- C-28851 Trade License No: 38067, Valid from 01 July 2024 to 30 June 2025, Factory License No: 13561/Narayanganj, Valid from 01 July 2024 to 30 June 2025, Fire License No: DD/Dhaka/11766/1999, Valid from 01 July 2024 to 30 June 2025, Drinking Water Test Lab Memo: 399/CC, DPHE, CL, Dhaka, Sample ID: CEN2024100264 Date of Testing: 21-31 October 2024.	

Site activities

Site function	Factory Processing/Manufacturer
---------------	---------------------------------

Site activities

Site activities	<p>Primary</p> <p>Manufacture of knitted and crocheted fabrics</p> <p>Secondary</p> <p>Other</p>
Product type	Manufacturer of sweater Item.
Process overview	<p>Product: Manufacturer of sweater Item.</p> <p>Main operations: Winding, Jacquard (Knitting), Linking, Trimming, Iron, PQC, Washing and Finishing.</p> <p>Total machine: 587 pcs.</p> <p>Main equipment: Overlock Machine, Flatlock Machine, Wending, knitting, linking, trimming, mending, washing, Jacquard Machine, Rib Cutter Machine, Iron Machine, Generator, Boiler, Compressor 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?	Yes
What is the area of audited site to its boundary?	7884m ²
Building 1	<p>Last construction works on site 1995</p> <p>If building is shared, provide details It's not a shared building.</p> <p>Number of floors 3</p> <p>Description of floor activities Floor 1- Security, Jacquard, Sample, Chemical, Office area, Medical, Child care. Floor 2- Office area, linking section, Trimming, Mending, Light, PQC, Sewing, Iron, finishing section, Accessories store and Finished goods. Floor 3- Staff dining, Inspection room, Dining area, Canteen, Maintenance room, Yearn store, winding section, wastage area, roof top.</p>

Site scope

Building 2	Last construction works on site	1995
	If building is shared, provide details	It's not a shared building.
	Number of floors	1
	Description of floor activities	Floor 1- ETP area, and ETP control room
Building 3	Last construction works on site	1995
	If building is shared, provide details	It's not a shared building.
	Number of floors	1
	Description of floor activities	Floor 1- Generator room, Sub station area and boiler area.
Is there any difference between the site scope of the audit and the Sedex site profile?	No	
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 or back shift work at the site? Yes
 There are two shifts for Jacquard (Knitting) Section, shift-1: 8:00 am to 5:00 pm, Shift-2: 8:00 pm to 5:00 am.

What percentage of the workforce, including temporary and agency workers, work during the night/ back shift? 25%

Was the audit conducted across all shift times, and did it include a representative sample of workers from each shift time in interviews and sampling? Yes
 During the audit process, samples were systematically collected from all shifts, with particular attention paid to the selection criteria used for sampling.

Site assessments

Does this site hold any certifications that address labour standards, human rights, corruption or environmental impact? Other social audit
 The facility has social audits amfori BSCI (afori ID: 050-002049-000) submission date: 29 June 2023 and SLCP audits (ID: 2216) submission date: 03 January 2023.

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 such assessment record was provided during the audit.

Has there been a Human Rights Impact Assessment (HRIA) conducted within the last three years at this site? No
 No such assessment record was provided during the audit.

Worker analysis

Gender disaggregated data available

Men and women

Worker totals

	Men	Women	Other	Total
Number of workers	179 (54.6%)	149 (45.4%)	- -	328 (100%)

Workers by type

	Men	Women	Other	Total
Permanent workers (employees)	179 (54.6%)	149 (45.4%)	- -	328 (100%)
Temporary or fixed term employees	0 (0%)	0 (0%)	- -	0 (0%)
Agency or subcontracted workers	0 (0%)	0 (0%)	- -	0 (0%)
Seasonal workers	0 (0%)	0 (0%)	- -	0 (0%)
Self-employed workers	0 (0%)	0 (0%)	- -	0 (0%)
Informal workers including home workers	0 (0%)	0 (0%)	- -	0 (0%)
Apprentices, trainees or interns	0 (0%)	0 (0%)	- -	0 (0%)

* % of total workforce

Migrant workers

	Men	Women	Other	Total
Domestic migrant workers	170 (51.8%)	141 (43%)	- -	311 (94.8%)
International migrant workers	0 (0%)	0 (0%)	- -	0 (0%)
Total migrant workers	170 (51.8%)	141 (43%)	- -	311 (94.8%)

* % of total workforce

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

Most of the worker are local. However, some workers come from different districts of Bangladesh e.g. Cumilla, Barishal, Magura, Gazipur, Jamalpur, Ranjpur, Dinajpur, Bogura, Faridpur etc.

Workers by age

	Men	Women	Other	Total
18 - 24 years old	89 (27.1%)	74 (22.6%)	- -	163 (49.7%)
15 - 17 years old	0 (0%)	0 (0%)	- -	0 (0%)
Under 15 years old	0 (0%)	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	55%	45%	-	100%

Workers by remuneration type

	Men	Women	Other	Total
Workers paid per unit (piece rate)	15 (4.6%)	100 (30.5%)	- -	115 (35.1%)
Workers paid based on a mix of 'piece work' and hourly rate	0 (0%)	0 (0%)	- -	0 (0%)
Workers paid hourly / daily rate	0 (0%)	0 (0%)	- -	0 (0%)
Salaried workers	164 (50%)	49 (14.9%)	- -	213 (64.9%)

* % of total workforce

Workers by payment cycle

	Men	Women	Other	Total
Paid daily	0 (0%)	0 (0%)	- -	0 (0%)
Paid weekly	0 (0%)	0 (0%)	- -	0 (0%)
Paid monthly	179 (54.6%)	149 (45.4%)	- -	328 (100%)
Other	0 (0%)	0 (0%)	- -	0 (0%)

* % of total workforce

If other payment cycle entered, please provide details

NA. Facility provides monthly salary to the workers.

People in managerial, supervisory and administrative roles

	Men	Women	Other	Total
Employees in management positions	39 (11.9%)	1 (0.3%)	- -	40
Supervisors or team leaders	5 (1.5%)	2 (0.6%)	- -	7
Administrative staff	4 (1.2%)	3 (0.9%)	- -	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 4 group 5 workers

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?	<p>Other (provide details)</p> <p>Based on worker interview no such significant issues were raised by the interviewed workers.</p>
What did the workers like the most about working at this site?	<p>Equal opportunities Facilities (e.g. rest area, recreation, canteen) Grievance mechanisms Social benefits & insurance (e.g. ability to book annual leave, maternity leave, pensions etc.) Workplace benefits (e.g. child care provisions) Work environment – comfort (e.g. temperature, noise or dust levels) Training and development Freedom of movement Communication (e.g. from management) Overtime Pay</p>
Additional comments	<p>The factory allowed the auditors to conduct confidential interviews with workers who were chosen freely without any influence by the factory management. 26 workers were selected for interview including 14 males and 12 females, they were interviewed as 4 groups of 5 some mixed groups and some single sex and the balance of 06 workers were interviewed individually. The workers were assured of confidentiality and they spoke freely of their views of the factory. The workers showed a cooperative attitude during the interview process. Based on worker's interview, they expressed their positive attitude to the management and payment. All workers were satisfied with working conditions and benefits provided by the factory. They felt free to leave this employer and understood the notice period required. They had good relationships with their supervisors and managers who treated them with respect. They can complain through confidential complaint boxes and also directly to the management if required.</p>
Attitude of workers' committee/union representatives	<p>There is no union in the factory. Interview with the participation committee (PC) representatives, the interviewees expressed that the facility management was nice to them, they can freely express their opinions and concerns without any fear to the management.</p>
Attitude of managers	<p>The managers were courteous and professional throughout the audit and allowed full access for the auditor to all relevant documents and personnel. Throughout the audit management had provided all the requested documentation for review. At the end of the audit, auditor conducted a closing meeting with factory management to explain all findings except workers' interview information. The facility accepted all noncompliance at the end of the audit and Major (retd.) MD Moshir Rahman-Director acknowledged the CAPR in electronic version.</p>

Workers interviewed by type

	Total
Permanent workers	26
Temporary or fixed-term employees	0

Workers interviewed by type

Agency or subcontracted workers	0
Seasonal workers	0
Other workers	0
Total number of workers interviewed	26

Workers interviewed by group/individual

	Men	Women	Other	Total
Workers interviewed in groups	10	10	-	20
Workers interviewed individually	4	2	-	6

Migrant workers interviewed

	Men	Women	Other	Total
Domestic migrant workers interviewed	13	10	-	23
International migrant workers interviewed	0	0	-	0
Total migrant workers interviewed	13	10	-	23

Measuring workplace impact

Gender disaggregated data available Men and women

Annual worker turnover (%)*

	Men	Women	Other	Total
Last full quarter (90 days)	2.0%	2.0%	-	2.0%
Last full calendar year (2023)	3.0%	2.0%	-	2.0%
Previous full calendar year (2022)	2.0%	3.0%	-	3.0%

* 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)	3.0%	3.0%	-	3.0%
Last full calendar year (2023)	3.0%	4.0%	-	3.0%
Previous full calendar year (2022)	2.0%	2.0%	-	4.0%

* Number of days lost through job absence in the year, calculated as (the number of employees on 1st day of the year + number employees on the last day of the year) / 2)* number available workdays in the year*100

Are accidents recorded? Yes

Factory nurse Mst. Satu Sarkar keeps records of all the work-related accidents as per requirement also facility Medical Officer Dr. Sahida Parvin provide training to aware all workers about work-related accidents. According to the record of accident register, no major accidents occurred at the factory during last 12 month.

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

	Men	Women	Other	Total
Last full quarter (90 days)	0.0%	0.0%	-	0.0%
Last full calendar year (2023)	0.0%	0.0%	-	0.0%
Previous full calendar year (2022)	0.0%	0.0%	-	0.0%

* 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)	0.0%	0.0%	-	0.0%
Last full calendar year (2023)	0.0%	0.0%	-	0.0%
Previous full calendar year (2022)	0.0%	0.0%	-	0.0%

* 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 standard hours in a given week

	Men	Women	Other	Total
Last full quarter (90 days)	0.0%	0.0%	-	0.0%
Last full calendar year (2023)	0.0%	0.0%	-	0.0%
Previous full calendar year (2022)	0.0%	0.0%	-	0.0%

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

	Men	Women	Other	Total
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Percentage of workers that work on average more than 60 standard hours in a given week

Last full quarter (90 days)	0.0%	0.0%	-	0.0%
Last full calendar year (2023)	0.0%	0.0%	-	0.0%
Previous full calendar year (2022)	0.0%	0.0%	-	0.0%

0. Enabling accurate assessment

Summary of findings

Code area	Workplace requirement	Local law	Finding
0. Enabling accurate assessment	0.C Provide an accurate site description and ...	§1	NC ZAF600740580
Systems and evidence examined to validate this code section	<p>Current system:</p> <ul style="list-style-type: none"> •The facility is committed to ensuring that the auditor can conduct and complete the audit process seamlessly and without obstruction. This includes providing access to all requested documents, facilitating interviews with relevant workers, and granting unrestricted access to the facility itself, along with any buildings and production processes necessary for the audit. •Moreover, the facility guarantees that all records provided to the auditor are authentic and original, thereby ensuring the integrity of the audit process. It is important to note that the facility has not engaged in any form of bribery, intimidation, or coercion to influence the auditor's findings or to encourage dishonesty. •Additionally, the facility operates under a valid business license and possesses all necessary permits as mandated by local authorities, demonstrating its compliance with regulatory requirements. •The site has proactively communicated its Human Rights Policy to all employees, ensuring that they are informed of their rights. Furthermore, the facility has conducted a thorough assessment of any potential negative impacts on human rights arising from its operations. <p>Evidence examined:</p> <ul style="list-style-type: none"> - Company profile - Valid business licenses - Comprehensive Human rights policy and procedures -Anti-bribery policy -Training records - Interview with management - Audit plan without deviations 		

Findings: non-compliances

ZAF600740580

Non-compliance

Due 2025-01-17

Code area

0 Enabling accurate assessment

Status

Open*

Workplace requirement

0.C Provide an accurate site description and Sedex site profile declared prior to or during the audit.

Time given to resolve

30 days

Issue title

34 - Site is operating without all required in-date licences and permits (e.g. business/factory licence has expired)

Verification method

Desktop audit

Area of non-compliance/non-conformance

Local law
Base code

Description

Through document reviews and management interviews, it was identified that, the factory license (13561/ Narayanganj) for the facility has expired from 01 July 2024. However, the facility management has applied to concern authority (Department of Inspection for Factories and Establishments) to renew the license, but renewed license has not been received yet. Note: Renewal fee deposited on 01 December 2024.

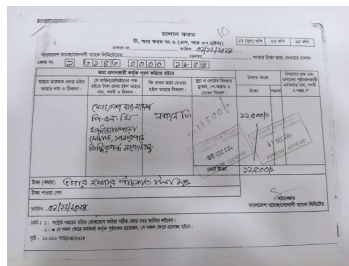
Corrective and preventative actions

It is recommended that facility should obtain valid license from concerned authority.

Local law reference

Bangladesh Labor Rules 2015, Rule 355(2): Validity of each of licenses shall continue up to 30 June of the financial year in which the license will be sanctioned.

Evidence



[Factory license \(13561 Narayanganj\) has expired.JPG](#)



[Renewal fee deposited.JPG](#)



* PDF generated at 13:50 (UTC) on 18 Dec 2024. [View this finding on the Sedex platform](#) for live updates and closure details.

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
--	----

Were sufficient documents for non-employee (e.g. agency or other subcontracted) workers available for review?	No
---	----

1. Employment is freely chosen

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	Robust Management Systems
Communicate and train employees and other workers, including managers and supervisors, on relevant policies and procedures	Robust Management Systems
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 policies and procedures covering site context to lead to sustainable compliance in Employment is freely chosen area for Workplace Requirements. The facility has developed policies and procedures covering forced labour, human trafficking, debt bondage/ bonded labour, modern slavery etc and maintaining to ensure Workplace Requirements are met. In addition, the facility has a clear procedure for updating documentation according to changing requirements or situations. Based on above scenario Policies and Procedures area of Management Systems can be graded as 'Robust Management System'.</p> <p>2. Resources: The facility has assigned role(s) responsible for this Base Code Area with required skills and the seniority to manage Workplace Requirements Md. Abu Shaid Khan- Assistant Manager (HR, Admin & Compliance) , is responsible implementation of the Code Area. The facility has implemented a system to ensure the management structure and responsibilities are reactive to changing circumstances. Based on above scenario Resources area of Management Systems can be graded as 'Robust Management System'.</p> <p>3. Communication and Training: The facility has provided effective training and communicated the policy and procedures to all relevant workers, including managers and supervisors. The has a yearly training calendar to conduct training which includes assessment, feedback and refresher training. The facility conducts training need assessment (TNA) to understand of those who need to receive training and communications for ensuring a high level of efficacy. Based on above scenario Communication and Training area of Management Systems can be graded as 'Robust Management System'.</p> <p>4. Monitoring: The facility effectively monitors the implementation of policy and procedures and also takes action where shortfalls are identified through proper root cause analysis. Md. Abu Shaid Khan- Assistant Manager (HR, Admin & Compliance) monitor the effectiveness of procedures to meet policy and Workplace Requirements. The facility has set KPI for responsibilities for monitoring and targets achievements. Based on above scenario Monitoring area of Management Systems can be graded as 'Robust Management System'.</p>

Summary of findings

Code area	Workplace requirement	Local law	Finding
Systems and evidence examined to validate this code section	No findings		
	<p>Current system:</p> <ul style="list-style-type: none"> •During the audit it is confirmed that employment at the facility is freely chosen, in accordance with local laws and international recognized standards. Recruitment practices are transparent, with no evidence of forced, bonded, or indentured labor. Employees have provided voluntary consent through signed contracts, and termination procedures allow for resignations without undue pressure or penalties. Working conditions enable employees to move freely, and interviews indicate a genuine freedom of choice in their employment. The facility has effective training programs in place to inform employees of their rights, along with accessible grievance mechanisms for reporting any concerns. The employment contracts with labor comply with the principles of voluntary employment. Overall, the facility demonstrates a commitment to upholding the principle of freely chosen employment. •During facility visit, 26 sample workers' interview and document review, there were no traces identified of forced, bonded or involuntary prison labor identified. According to the labor contracts the workers can resign within 30-days' notice period, which is in accordance by local law. <p>Evidence examined:</p> <ul style="list-style-type: none"> - Forced labor policy. - Sample workers personal files. - Employment Agreements. - Appointment letters. - Terms and conditions. - Attendance records - Management and worker's interview. 		

1. Employment is freely chosen

Data points

If required under local law, is there a published 'modern slavery' or similar statement?	Not Applicable
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Does the site utilise any workers who are prisoners?	No
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Does the site use the labour of persons required to work under any government scheme?	No
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1.A. Responsible recruitment and entitlement to work

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	Robust Management Systems
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 policies and procedures covering site context to lead to sustainable compliance in Employment is Responsible recruitment and entitlement to work. The facility has developed policies and procedures covering Recruitment policies, Employment contracts, Proof of right to work etc and maintaining to ensure Workplace Requirements are met. In addition, the facility has a clear procedure for updating documentation according to changing requirements or situations. Based on above scenario Policies and Procedures area of Management Systems can be graded as 'Robust Management System'.</p> <p>2. Resources: The facility has assigned role(s) responsible for this Base Code Area with required skills and the seniority to manage Workplace Requirements. Md. Abu Shaid Khan- Assistant Manager (HR, Admin & Compliance) , is responsible implementation of the Code Area. The facility has implemented a system to ensure the management structure and responsibilities are reactive to changing circumstances. Based on above scenario Resources area of Management Systems can be graded as 'Robust Management System'.</p> <p>3. Communication and Training: The facility has provided effective training and communicated the policy and procedures to all relevant workers, including managers and supervisors. The has a yearly training calendar to conduct training which includes assessment, feedback and refresher training. The facility conducts training need assessment (TNA) to understand of those who need to receive training and communications for ensuring a high level of efficacy. Based on above scenario Communication and Training area of Management Systems can be graded as 'Robust Management System'.</p> <p>4. Monitoring: The facility effectively monitors the implementation of policy and procedures and also takes action where shortfalls are identified through proper root cause analysis. Md. Abu Shaid Khan- Assistant Manager (HR, Admin & Compliance) monitor the effectiveness of procedures to meet policy and Workplace Requirements. The facility has set KPI for responsibilities for monitoring and targets achievements. Based on above scenario Monitoring area of Management Systems can be graded as 'Robust Management System'.</p>

Summary of findings

Code area	Workplace requirement	Local law	Finding
<p>Systems and evidence examined to validate this code section</p>	<p>No findings</p>		
<p>Systems and evidence examined to validate this code section</p>	<p>Current system: •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 all employees are treated with respect and dignity. The recruitment policies emphasize non-discrimination and equal opportunity for all applicants, which reflects a strong commitment to inclusivity. •Review of sample employment contracts, confirming that they clearly outline the terms of employment and comply with legal requirements. Reviewed entitlement to work for all workers ensuring that everyone possesses the appropriate legal status to work in the country. The factory directly hired the workers no agency was used for hiring of workers, overall maintained ethical practices and a positive workplace environment.</p> <p>Evidence examined: - Recruitment policies. - Employment contracts. - Proof of right to work. - Interview with management and workers.</p>		

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 (including 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	0%
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 uses 95% domestic migrant workers who comes from different areas.

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 the worker interviews, workers were not required to pay any recruitment fees.

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

Robust Management Systems

Appoint a manager with sufficient seniority who is responsible for implementing procedures

Some Improvements Recommended

Communicate and train employees and other workers, including managers and supervisors, on relevant policies and procedures

Fundamental Improvements Required

Monitor the effectiveness of procedures to meet policy and workplace requirements

Fundamental Improvements Required

Management systems

Explanation for management systems grades

1. Policies and Procedure:

The facility has policies and procedures covering site context to lead to sustainable compliance in Employment is Freedom of association and right to collective bargaining are respected. The facility has developed policies and procedures covering Policy on freedom of association and collective bargaining, Workers Council Committee documents etc and maintaining to ensure Workplace Requirements are met. In addition, the facility has a clear procedure for updating documentation according to changing requirements or situations. Based on above scenario Policies and Procedures area of Management Systems can be graded as 'Robust Management System'.

2. Resources:

The facility has assigned role(s) responsible for this Base Code Area with required skills and the seniority to manage Workplace Requirements. Md. Abu Shaid Khan- Assistant Manager (HR, Admin & Compliance), is responsible implementation of the Code Area. However, management structure or compliance management team organogram was not well defined and detailed with roles and responsibilities which already led to a noncompliance though this is not necessarily systemic in nature. Based on above scenario Resources area of Management Systems can be graded as 'Some improvements recommended'.

3. Communication and Training:

The facility has system to provide training on freedom of association, grievance policies, procedures to the relevant workers including managers and supervisors. 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 efficiency. There was no proper yearly training calendar or structured program to conduct training, assessment and feedback. For example, supervisors were not well aware on grievance and disciplinary action procedures. Facility not formed workers participation committee through election as per legal requirement which already led to a major noncompliance though this is not necessarily systemic in nature. Based on above scenario Communication and Training of Management Systems can be graded as 'Fundamental Improvements Required'.

4. Monitoring:

The facility has monitoring system in place for the Base Code Area in general and also Md. Abu Shaid Khan- Assistant Manager (HR, Admin & Compliance), has been appointed as responsible person for monitoring the Base Code Area but during the audit some lack identified in monitoring which already led to major noncompliance like facility not formed workers participation committee through election as per legal requirement. Based on above scenario Monitoring area of Management Systems can be graded as 'Fundamental Improvements Required'.

Summary of findings

Code area	Workplace requirement	Local law	Finding
2. Freedom of association and right to collective bargaining are respected	2.B Not prohibit, discourage or interfere wit...	§1	NC ZAF600740581

Systems and evidence examined to validate this code section**Current system:**

•During the review document it is evident that the factory respects freedom of association and the right to collective bargaining. The management team demonstrated a clear commitment to fostering an open and inclusive workplace where employees feel empowered to express their views and participate in collective activities. Reviewed the organization's policies, which explicitly support employees' rights to join unions and engage in collective bargaining without fear of retaliation. However, the facility has form Participation Committee (PC) of the factory through selection process instead of democratic election process.

•Meeting records from workers discussions revealed that management encourages open dialogue and actively participates in addressing employee concerns.

•Training materials on workers' rights and the importance of collective bargaining, ensuring that workers are well-informed about their rights and how to exercise them.

•Through sample workers interviews and surveys indicated of awareness and satisfaction regarding their rights to associate freely and engage in collective negotiations.

•Overall, the factory strong commitment to upholding freedom of association and collective bargaining rights, fostering a positive environment where workers can voice their opinions and collaborate effectively.

Evidence examined:

- Policy on freedom of association and collective bargaining.
- Workers Council Committee documents.
- Participation Committee (PC) selection records August 14, 2024.
- Last Workers Council Committee Meeting records November 14, 2024.
- Suggestion Boxes Record.
- Interviews with management and workers.

Findings: non-compliances

ZAF600740581

Non-compliance

Due 2025-01-17

Code area

2 Freedom of association and right to collective bargaining are respected

Status

Open*

Workplace requirement

2.B Not prohibit, discourage or interfere with workers' rights to join a trade union of their own choosing or other form of worker representation, including worker committees or similar arrangements where the right to freedom of association is restricted under law. This should include the fair and free selection and election of representatives, and their rights to engage in collective bargaining.

Time given to resolve

30 days

Verification method

Desktop audit

Issue title

129 - Worker/union representatives are not freely elected (e.g. they are assigned by management)

Area of non-compliance/non-conformance

Local law

Description

Through documents review, workers and management interview it was noted that the facility has form Participation Committee (PC) of the factory through selection process instead of democratic election process.

Base code

Corrective and preventative actions

It is recommended that the facility management should form the safety committee as per law.

Local law reference

Bangladesh Labour Law 2006, Section 205(6). The workers' representatives shall be elected in accordance with the rules, where there is no trade union in the organization.

* PDF generated at 13:50 (UTC) on 18 Dec 2024. [View this finding on the Sedex platform](#) for live updates and closure details.

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?	No
Does union/worker committee membership reflect the gender composition of the workforce?	Not Applicable
Does the membership reflect the nationality composition of the workforce?	Not Applicable
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

Robust Management Systems

Appoint a manager with sufficient seniority who is responsible for implementing procedures

Some Improvements Recommended

Communicate and train employees and other workers, including managers and supervisors, on relevant policies and procedures

Fundamental Improvements Required

Monitor the effectiveness of procedures to meet policy and workplace requirements

Fundamental Improvements Required

Management systems

Explanation for management systems grades

1. Policies and Procedure:

The facility has policies and procedures covering site context to lead to sustainable compliance in Working conditions are safe and hygienic. The facility has developed policies and procedures covering Policy on Health, Safety & Environment policy, facility appears to have a system in place to ensure a safe and hygienic working environment, training record, updated accident / injury record records, fire equipment's list and maintains record, etc and maintaining to ensure Workplace Requirements are met. In addition, the facility has a clear procedure for updating documentation according to changing requirements or situations. Based on above scenario Policies and Procedures area of Management Systems can be graded as 'Robust Management System'.

2. Resources:

The facility has assigned role(s) responsible for this Base Code Area with required skills and the seniority to manage Workplace Requirements. Md. Khalilur Rahman Khan- Executive Director, is responsible implementation of the Code Area. However, management structure or compliance management team organogram was not well defined and detailed with roles and responsibilities which already led to a noncompliance. Based on above scenario Resources area of Management Systems can be graded as 'Some Improvements Recommended'.

3. Communication and Training:

The facility has system to provide training on health and safety, fire safety, first aid, policies, procedures to the relevant workers including managers and supervisors. However, some trainings were not effectively communicated procedures to relevant workers, including managers and supervisors. 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 efficiency. There was no proper yearly training calendar or structured program to conduct training, assessment and feedback. As there is a gap in training and due to lack of awareness of the relevant persons it has already led to major NC in health and safety section. Based on above scenario Policies and Procedures area of Management Systems can be graded as 'Fundamental improvements required'.

4. Monitoring:

The facility did not effectively monitor the implementation of Workplace Requirements on an ongoing basis to ensure sufficient management of Workplace Requirements. Due to the absence of effective monitoring system to meet workplace policy and procedures, it has already led to major NCs in health and safety section. For example, safety committee was not formed as per legal guideline, Personal Protective Equipment (PPE) provided but incidents of workers not using PPE, no evacuation plan was posted at dining, canteen, warehouse and sample room, Health and safety risk assessment conducted, but not suitable, hose pipe was found leakage condition, etc. Based on above scenario Monitoring area of Management Systems can be graded as 'Fundamental Improvements Required'.

Summary of findings

Code area	Workplace requirement	Local law	Finding
3. Working conditions are safe and hygienic	3.D Form a health and safety committee (or in...	§1	NC ZAF600740582
	3.H Where identified as necessary to reduce r...	§2	NC ZAF600740583
	3.L Implement effective processes to manage f...	§3	NC ZAF600740584
	3.B Conduct risk assessments regarding the po...	§4	NC ZAF600740585
	3.L Implement effective processes to manage f...	§5	NC ZAF600740586

Systems and evidence examined to validate this code section

Current system:

- During the review document, it is evident that the factory prioritizes safe and hygienic working conditions, reflecting a strong commitment to employee well-being.
- The factory was well-maintained and organized, demonstrating proactive measures to ensure workplace safety. Reviewed comprehensive health and safety policies that clearly outline the organization's dedication to maintaining a secure environment for all employees.
- Thorough risk assessments were examined, confirming that potential hazards are regularly identified and addressed promptly. Additionally, training records indicated that employees receive ongoing education about safe work practices and emergency procedures, ensuring they are well-prepared to handle any risks.
- Recent inspection reports showed that safety standards are consistently monitored and maintained, with effective corrective actions taken as needed. Feedback from employees, gathered through surveys and interviews, highlighted their confidence in the organization's safety measures and their satisfaction with the cleanliness of the workplace.
- Overall, the organization's commitment to providing a safe and hygienic working environment, which promotes both employee health and productivity.

Evidence examined:

- The facility has established a Health, Safety & Environment policy.
- The facility appears to have a system in place to ensure a safe and hygienic working environment.
- Md. Abu Shaid Khan- Assistant Manager (HR, Admin & Compliance) is responsible for Health and Safety management system.
- Health & Safety related Risk Assessment carried out covering all work process, including building infrastructure and risk due to unexpected situations like natural calamities and proper corrective and preventive measures are taken to mitigate the risk identified last risk assessment conducted dated 05/11/24
- Facility has provided quarterly training on Smoking, Tobacco Free Environment awareness session last training conducted dated 05-11-2024.
- Facility has provided quarterly training on a safe work environment last training conducted dated 05-11-2024.
- Facility has provided bi-annual training on Hazardous, Non-Hazardous & Chemical management last training conducted dated 06-11-2024.
- Facility has updated accident / injury record records.
- Facility has documented Emergency preparedness & response plan and procedure.
- Facility has conducted fire evacuation drill quarterly by their qualified internal fire safety department last evacuation was conducted dated 13-11-2024.
- Facility has conducted fire-fighting training quarterly by their qualified internal fire safety department last fire-fighting training was conducted dated 18-11-2024.
- Facility has conducted first aid training session quarterly training was conducted dated 09/11/24.
- Facility has Health & Safety committee was formed and members meet once in two months and discuss health & safety related issues. Minutes of meetings were maintained last meeting conducted dated 14-11-2024.
- Facility has sufficient clean toilets segregated by gender were available at all the time to workers. Male toilet was 14 and female toilet was 09 which was sufficient.
- Total 140 fire extinguishers are present. 110 are ABC Type, 28 CO2 type and 02 Foam type. The fire extinguisher is checked at a frequency of once in a month basis. Last checking was done on 04/11/2024.
- There was total 50 Smoke detectors are available. Smoke detectors are located at various locations. Smoke detectors are checked at a frequency of once in every month basis. Last checking was done on 04/11/2024. done internally.
- Total 15 fire alarms are available; The Fire alarms are checked at a frequency of once in every Months. Last checking was done on 04/11/2024.
- Total 40 Emergency lights are available and checked at a frequency of once in fortnightly basis. Last checking was done on 04/11/2024, done internally.
- Facility has 28 number of fire fighters, first aiders and rescues in the factory trained internally and externally.
- Facility has 18 number of first aiders in the factory and interviewed first aiders confirmed that they had been trained by the factory contracted doctor.
- Facility has 09 First Aid Box available, first aid box is checked for the availability of first aid medicines daily basis.

Findings: non-compliances

ZAF600740582

Non-compliance

Due 2025-02-16

Code area

3 Working conditions are safe and hygienic

Status

Open*

Workplace requirement

3.D Form a health and safety committee (or include H&S in worker committees) which includes workers, and/or their representatives.

Time given to resolve

60 days

Issue title

147 - No/inadequate health and safety committee or representative(s) as required by law

Verification method

Desktop audit

Description

Through document review, management and workers interview during the audit it was noted that the safety committee was not formed as per legal guideline as the members from workers' side of the committee were not nominated by elected participation committee.

Area of non-compliance/non-conformance

Local law
Base code

Corrective and preventative actions

It is recommended to form the safety committee as per law.

Local law reference

Bangladesh Labor Rules 2015, Rule 81 (6).The Chairperson of the committee and Employers' Representatives shall be nominated by the Owner or Managing Director of the factory or industrial establishment and Co-Chairperson and Workers' Representatives shall be nominated by the Collective Bargaining Agent (CBA) or the Workers' Representatives to the Participation Committee from workers employed thereof.

* PDF generated at 13:50 (UTC) on 18 Dec 2024. [View this finding on the Sedex platform](#) for live updates and closure details.

ZAF600740583

Non-compliance

Due 2025-01-17

Code area

3 Working conditions are safe and hygienic

Status

Open*

Workplace requirement

3.H Where identified as necessary to reduce residual risk, provide (without charge to workers) and ensure the use of appropriate personal protective equipment (PPE).

Time given to resolve

30 days

Issue title

278 - Personal Protective Equipment (PPE) provided but incidents of workers not using PPE where appropriate

Verification method

Desktop audit

Description

Through site visit it was observed that 04 out of 30 workers of jacquard section were not using ear plug at jacquard section on ground floor of building # 1. 02 out of 15 workers of winding section were not using ear plug and face mask at winding section on rooftop area of building # 1. Note that 50% area is occupied by production floor, dining, canteen and storage area.

Area of non-compliance/non-conformance

Local law
Base code

Corrective and preventative actions

It is recommended that facility should provide effective awareness training on use of PPE.

Local law reference

Bangladesh Labor Rules, 2015, rule 67 (2):

In addition to the arrangement of safety and health protection measures mentioned in Sub-section (1), the concerned manufacturing institute must provide necessary equipment, including safety shoes, helmets, goggles, masks, hand gloves, ear muffs, ear plugs, waist belts, aprons etc. and arrange training programs for the workers in using these materials and ensure their usage.

Evidence



[Worker of winding section was not using ear plug and face mask.jpg](#)



[Worker of jacquard section was not using ear plug.jpg](#)



* PDF generated at 13:50 (UTC) on 18 Dec 2024. [View this finding on the Sedex platform](#) for live updates and closure details.

ZAF600740584

Non-compliance

Due 2025-01-17

Code area

3 Working conditions are safe and hygienic

Workplace requirement

3.L Implement effective processes to manage fire safety including, but not limited to, accessible evacuation routes, a fire detection system, fire fighting/suppression equipment, training and regular drills covering all shifts and warning systems.

Issue title

214 - No evacuation plan or designated emergency exit route

Description

During site visit it was observed that no evacuation plan was posted at dining, canteen, warehouse and sample room on ground floor and rooftop area of building # 1.

Corrective and preventative actions

It is recommended that facility should post evacuation plan in mentioned areas.

Local law reference

Bangladesh Labour Rules 2025, rule 55 (8) The arrangement should be made to show evacuation plan of exit in one or more places easily visible in each floor of each floor of the factory.

Status

Open*

Time given to resolve

30 days

Verification method

Desktop audit

Area of non-compliance/non-conformance

Local law
Base code

Evidence



[No evacuation plan in different area of the facility.jpg](#)



[No evacuation plan at dining hall.jpg](#)



* PDF generated at 13:50 (UTC) on 18 Dec 2024. [View this finding on the Sedex platform](#) for live updates and closure details.

ZAF600740585

Non-compliance

Due 2025-01-17

Code area

3 Working conditions are safe and hygienic

Status

Open*

Workplace requirement

3.B Conduct risk assessments regarding the potential hazards arising from work. The risk assessment shall be reviewed whenever processes change and at least annually considering any incidents and findings.

Time given to resolve

30 days

Issue title

152 - Health and safety risk assessment conducted, but not suitable, sufficient and/or documented

Verification method

Desktop audit

Area of non-compliance/non-conformance

Local law
Base code

Description

Though the facility assessed the associate risks of different workfloors at the facility. However, due to lack of monitoring few gaps were identified which are as follows:
1.01 out of 02 staircase is found with potential hazard as metal portion is broken and damaged in some portion of this staircase which may cause bodily injury. Note that facility has total 03 staircases.
2.Waste sacks were kept in excessive height at waste keeping area which may cause bodily injury by falling object.
3.Uneven floor was found at warehouse area which may cause a obstruction for free movement or evacuation of workers.

Corrective and preventative actions

It is recommended that facility monitor mentioned issues and provide awareness training to responsible person.

Local law reference

Bangladesh Labour Rules 2025, rule 55 (8) The arrangement should be made to show evacuation plan of exit in one or more places easily visible in each floor of each floor of the factory.

Evidence



[Waste sacks are stacked in excessive height.jpg](#)



[Uneven floor at warehouse area.jpg](#)



[Damaged metal part of staircase.jpg](#)



* PDF generated at 13:50 (UTC) on 18 Dec 2024. [View this finding on the Sedex platform](#) for live updates and closure details.

ZAF600740586

Non-compliance

Due 2025-01-17

Code area

3 Working conditions are safe and hygienic

Workplace requirement

3.L Implement effective processes to manage fire safety including, but not limited to, accessible evacuation routes, a fire detection system, fire fighting/suppression equipment, training and regular drills covering all shifts and warning systems.

Issue title

189 - Inadequate hose reel installation and maintenance

Description

During site visit randomly check 01 out of 02 hose pipe was found leakage condition due to lack of monitoring.

Corrective and preventative actions

It is recommended that responsible person should monitor the potential issue (leakage hose pipe) effectively to avoid any kind of fire hazard at the facility.

Local law reference

Bangladesh Labour Rules, 2015, rule 55 (1: d):
A hose reel should be set up in a place approved by the inspector as per the specification of the fire service department on each floor for each 850 sqmt space of each building and there will be the arrangement of uninterrupted water supply in it and it should be tested at least once a year. But provided that the inspector general can relax the compliance of the provisions of this paragraph in case of any factory after recording it being confirmed about the alternative measure of the fire fighting.

Evidence

Status

Open*

Time given to resolve

30 days

Verification method

Desktop audit

Area of non-compliance/non-conformance

Local law
Base code



[Leakage found in hose
pipe.jpg](#)



* PDF generated at 13:50 (UTC) on 18 Dec 2024. [View this finding on the Sedex platform](#) for live updates and closure details.

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 Yes, qualified safety officer
Do workers operate high risk or heavy machinery or vehicles as part of their jobs?	Yes
Do workers handle or have access to hazardous substances (e.g. chemicals or pesticides)?	No
Who organises accommodation for workers?	Not applicable
Who organises worker transportation between accommodation and worksite?	Not applicable
Who organises worker transportation while at work?	Workers organise their own transport
Do all structural additions (e.g. added floors) have a valid permit/inspection report as per local law?	Yes The facility obtains all required permit as per law. Facility has taken construction approval from Local Government Engineering Department (LGED).
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	Robust Management Systems
Appoint a manager with sufficient seniority who is responsible for implementing procedures	Robust Management Systems
Communicate and train employees and other workers, including managers and supervisors, on relevant policies and procedures	Robust Management Systems
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 policies and procedures covering site context to lead to sustainable compliance in Child labour shall not be used. The facility has developed policies and procedures covering Policy on Child Labour and Child Labour Remediation Policy, Personnel files etc and maintaining to ensure Workplace Requirements are met. In addition, the facility has a clear procedure for updating documentation according to changing requirements or situations. Based on above scenario Policies and Procedures area of Management Systems can be graded as 'Robust Management System'.</p> <p>2. Resources: The facility has assigned role(s) responsible for this Base Code Area with required skills and the seniority to manage Workplace Requirements. Md. Abu Shaid Khan- Assistant Manager (HR, Admin & Compliance), is responsible implementation of the Code Area. The facility has implemented a system to ensure the management structure and responsibilities are reactive to changing circumstances. Based on above scenario Resources area of Management Systems can be graded as 'Robust Management System'.</p> <p>3. Communication and Training: The facility has provided effective training and communicated the policy and procedures to all relevant workers, including managers and supervisors. The has a yearly training calendar to conduct training which includes assessment, feedback and refresher training. The facility conducts training need assessment (TNA) to understand of those who need to receive training and communications for ensuring a high level of efficacy. Based on above scenario Communication and Training area of Management Systems can be graded as 'Robust Management System'.</p> <p>4. Monitoring: The facility effectively monitors the implementation of policy and procedures and also takes action where shortfalls are identified through proper root cause analysis. Md. Abu Shaid Khan- Assistant Manager (HR, Admin & Compliance) monitor the effectiveness of procedures to meet policy and Workplace Requirements. The facility has set KPI for responsibilities for monitoring and targets achievements. Based on above scenario Monitoring area of Management Systems can be graded as 'Robust Management System'.</p>

Summary of findings

Code area	Workplace requirement	Local law	Finding
No findings			
Systems and evidence examined to validate this code section	<p>Current system:</p> <ul style="list-style-type: none"> •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. <p>Evidence examined:</p> <ul style="list-style-type: none"> - Personnel files of 62 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	49%
Enter the legal age of employment	14
Enter the age of the youngest worker identified	18
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%
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	Robust Management Systems
Appoint a manager with sufficient seniority who is responsible for implementing procedures	Robust Management Systems
Communicate and train employees and other workers, including managers and supervisors, on relevant policies and procedures	Robust Management Systems
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 policies and procedures covering site context to lead to sustainable compliance in Legal wages are paid. The facility has developed policies and procedures covering Policy on, working hour policy, Wages policy, leave management policy, Local and national laws, Resignation records etc and maintaining to ensure Workplace Requirements are met. In addition, the facility has a clear procedure for updating documentation according to changing requirements or situations. Based on above scenario Policies and Procedures area of Management Systems can be graded as 'Robust Management System'.</p> <p>2. Resources: The facility has assigned role(s) responsible for this Base Code Area with required skills and the seniority to manage Workplace Requirements. Md. Abu Shaid Khan- Assistant Manager (HR, Admin & Compliance), is responsible implementation of the Code Area. The facility has implemented a system to ensure the management structure and responsibilities are reactive to changing circumstances. Based on above scenario Resources area of Management Systems can be graded as 'Robust Management System'.</p> <p>3. Communication and Training: The facility has provided effective training and communicated the policy and procedures to all relevant workers, including managers and supervisors. The has a yearly training calendar to conduct training which includes assessment, feedback and refresher training. The facility conducts training need assessment (TNA) to understand of those who need to receive training and communications for ensuring a high level of efficacy. Based on above scenario Communication and Training area of Management Systems can be graded as 'Robust Management System'.</p> <p>4. Monitoring: The facility effectively monitors the implementation of policy and procedures and also takes action where shortfalls are identified through proper root cause analysis. Md. Abu Shaid Khan- Assistant Manager (HR, Admin & Compliance) monitor the effectiveness of procedures to meet policy and Workplace Requirements. The facility has set KPI for responsibilities for monitoring and targets achievements. Based on above scenario Monitoring area of Management Systems can be graded as 'Robust Management System'.</p>

Summary of findings

Code area	Workplace requirement	Local law	Finding
5. Legal wages are paid	5.A Ensure that all workers (including non-em...		GE ZAF600740587
Systems and evidence examined to validate this code section	<p>Current system:</p> <ul style="list-style-type: none"> •The local legal minimum wage was BDT 12,500 per month as per Minimum Wage Gazette-2023 which was effective from December 01, 2023. •The minimum wage paid by the factory was 12,500 and above per month according to the wage records. •All workers' wages were calculated by monthly rate. All 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 in bank. <p>Evidence examined:</p> <ul style="list-style-type: none"> -Document (Wages and attendance records) review -Worker interview -Management interview -Local and national laws -Local legal minimum wage documents -Payroll records from November 2023 to October 2024 -Leave records -Social insurance and payment receipts from the local labour department -Labour contracts for all employees -Full & Final settlement records -Hours records to check hourly rates and any overtime premiums -Payroll records from November 2023 to October 2024 (October 2024, May 2024 and November 2023 samples month) -Attendance records November 2023 to October 2024 (October 2024, May 2024 and November 2023 samples month) 		

Findings: good examples

ZAF600740587

Good example

Code area

5 Legal wages are paid

Workplace requirement

5.A Ensure that all workers (including non-employee workers) are paid at least the legal minimum wage or legally recognised collective bargaining agreement (CBA) where one exists, whichever is higher.

Description

Through documents review, workers and management interview it was noted that facility provides attendance bonus BDT. 300 to the workers.

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?	Only digital payments
How much as a percentage of their pay does a worker receive as 'payment-in-kind' benefits?	None

Worker remuneration

Which benefits are provided to permanent or full-time workers that are not provided to temporary or part-time workers?	Not applicable
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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	52.0
Minimum legal wage	Min per hour	0.0
	Min per day	0.0
	Min per week	0.0
	Min per month	12500.0
Actual minimum wage	Actual per hour	0.0
	Actual per day	0.0
	Actual per week	0.0
	Actual per month	12500.0
Minimum legal overtime wage	Min per hour	0.0
	Min per day	0.0
	Min per week	0.0
	Min per month	0.0
Actual minimum overtime wage	Actual per hour	0.0
	Actual per day	0.0
	Actual per week	0.0
	Actual per month	0.0

Wage analysis

Number of workers' records checked 26

Provide the date and details of the records

The Government has announced the new pay structure, which was implemented from 1st December 2023 for the workers of the Garments Industries. The Gazette Notification has been published on December 20, 2023. There are two separate pay structures; for the garment workers (Schedule A) 1. For the workers (Schedule A): Grade 1-Tk. 15035 Grade 2-Tk. 14273 Grade 3-Tk. 13550 Grade 4-Tk. 12500, Probationary-Tk. 9875 2. For the staff level (Schedule B) employees: Grade 1-Tk. 18800 Grade 2- Tk. 15950 Grade 3-Tk. 15200 Grade 4-Tk. 12800 Probationary-Tk. 9950.

Are there different legal minimum/ legally recognised CBAs wage grades?	Yes 26 samples from October 2024 (Current month) 26 samples from May 2024 (sample month) 26 samples from November 2023 (sample month)
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 12,500 per month to grade 4 workers. 0.0% of workforce earning under minimum wage 30.0% of workforce earning minimum wage 70.0% of workforce earning above minimum wage
Are there any bonus schemes used?	Yes 1. Two festival bonus equivalent to one basic during Eid UIFitr, and Eid UIAzha. 2. The facility provides attendance bonus BDT. 300 to the workers.
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	Local law	Finding
5.A. Living wages are paid	5.A.A Review workers' total pay including ben...		NC ZAF600740589
Systems and evidence examined to validate this code section	The facility did not calculate effective living wage e.g. workers' survey including family members, market survey, living area survey etc. However, Facility has ensured legal minimum wage as per law.		

Findings: non-compliances

ZAF600740589

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

Verification method

Collaborative action required

Issue title

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

Area of non-compliance/non-conformance

Base code

Description

Through documents review and management interview it was noted that the facility did not analyse living wage yet to understand of the gap between legal wage and living wage or living costs in the region.

Corrective and preventative actions

It is recommended that the facility should conduct the living wage gap analysis.

* PDF generated at 13:50 (UTC) on 18 Dec 2024. [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	Robust Management Systems
Communicate and train employees and other workers, including managers and supervisors, on relevant policies and procedures	Robust Management Systems
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 policies and procedures covering site context to lead to sustainable compliance in Working hours are not excessive. The facility has developed policies and procedures covering Policy on, working hour policy, Wages policy, leave management policy, Local and national laws, pay slips etc and maintaining to ensure Workplace Requirements are met. In addition, the facility has a clear procedure for updating documentation according to changing requirements or situations. Based on above scenario Policies and Procedures area of Management Systems can be graded as 'Robust Management System'.</p> <p>2. Resources: The facility has assigned role(s) responsible for this Base Code Area with required skills and the seniority to manage Workplace Requirements. Md. Abu Shaid Khan- Assistant Manager (HR, Admin & Compliance), is responsible implementation of the Code Area. The facility has implemented a system to ensure the management structure and responsibilities are reactive to changing circumstances. Based on above scenario Resources area of Management Systems can be graded as 'Robust Management System'.</p> <p>3. Communication and Training: The facility has provided effective training and communicated the policy and procedures to all relevant workers, including managers and supervisors. The has a yearly training calendar to conduct training which includes assessment, feedback and refresher training. The facility conducts training need assessment (TNA) to understand of those who need to receive training and communications for ensuring a high level of efficacy. Based on above scenario Communication and Training area of Management Systems can be graded as 'Robust Management System'.</p> <p>4. Monitoring: The facility effectively monitors the implementation of policy and procedures and also takes action where shortfalls are identified through proper root cause analysis.Md. Abu Shaid Khan- Assistant Manager (HR, Admin & Compliance) monitor the effectiveness of procedures to meet policy and Workplace Requirements. The facility has set KPI for responsibilities for monitoring and targets achievements. Based on above scenario Monitoring area of Management Systems can be graded as 'Robust Management System'.</p>

Summary of findings

Code area	Workplace requirement	Local law	Finding
	No findings		
Systems and evidence examined to validate this code section	<p>Current system:</p> <ul style="list-style-type: none"> •The factory has provided hours and wages records from November 2023 to October 2024. •None of the selected employees work seven (7) consecutive days without one day rest. •Legal limits for regular overtime hours work are 12 hours overtime per week. •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 recording system. <p>Evidence examined:</p> <ul style="list-style-type: none"> - Employment Agreements 26 samples from October 2024 (Current month) 26 samples from May 2024 (sample month) 26 samples from November 2023 (sample month) Attendance records 26 samples from October 2024 (Current month) 26 samples from May 2024 (sample month) 26 samples from November 2023 (sample month) - Working records (from computers, to check for discrepancies) - Leave Records 		

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?	NA. Facility follows local law e.g. 200% of basic wage.
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	Robust Management Systems
Appoint a manager with sufficient seniority who is responsible for implementing procedures	Robust Management Systems
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

1. Policies and Procedure:
The facility has policies and procedures covering site context to lead to sustainable compliance in No discrimination is practiced. The facility has developed policies and procedures covering discrimination Policy, appointment letter, non-discrimination training records, legal benefit records etc and maintaining to ensure Workplace Requirements are met. In addition, the facility has a clear procedure for updating documentation according to changing requirements or situations. Based on above scenario Policies and Procedures area of Management Systems can be graded as 'Robust Management System'.

2. Resources:
The facility has assigned role(s) responsible for this Base Code Area with required skills and the seniority to manage Workplace Requirements. Md. Abu Shaid Khan- Assistant Manager (HR, Admin & Compliance), is responsible implementation of the Code Area. The facility has implemented a system to ensure the management structure and responsibilities are reactive to changing circumstances. Based on above scenario Resources area of Management Systems can be graded as 'Robust Management System'.

3. Communication and Training:
The facility has provided effective training and communicated the policy and procedures to relevant workers, including managers and supervisors. However, the facility does not cover policy and procedures training to all supervisor and Sr. management. Based on above scenario Communication and Training area of Management Systems can be graded as 'Some Improvements Recommended'.

4. Monitoring:
The facility effectively monitors the implementation of policy and procedures and also takes action where shortfalls are identified through proper root cause analysis. Md. Abu Shaid Khan- Assistant Manager (HR, Admin & Compliance) monitor the effectiveness of procedures to meet policy and Workplace Requirements. The facility has set KPI for responsibilities for monitoring and targets achievements. Based on above scenario Monitoring area of Management Systems can be graded as 'Robust Management System'.

Summary of findings

Code area	Workplace requirement	Local law	Finding
Systems and evidence examined to validate this code section	No findings		
	<p>Current system:</p> <ul style="list-style-type: none"> •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. •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. •Facility has deployed Md. Abu Shaid Khan- Assistant Manager (HR, Admin & Compliance) for communicating, training, deploying and monitoring and ensuring the implementation of discrimination policy and procedure. •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. <p>Evidence examined:</p> <ul style="list-style-type: none"> - Policy and procedure for non-discrimination - Wage records of sample workers - Recruitment procedures - Grievance policy and procedure - Employee Handbook - Terms and condition of employment 		

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)	1%
Three most common nationalities in managerial and supervisory roles	Bangladeshi

8. Regular employment is provided

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	Robust Management Systems
Communicate and train employees and other workers, including managers and supervisors, on relevant policies and procedures	Robust Management Systems
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 policies and procedures covering site context to lead to sustainable compliance in Regular employment is provided. The facility has developed policies and procedures covering employment Policy etc and maintaining to ensure Workplace Requirements are met. In addition, the facility has a clear procedure for updating documentation according to changing requirements or situations. Based on above scenario Policies and Procedures area of Management Systems can be graded as 'Robust Management System'.</p> <p>2. Resources: The facility has assigned role(s) responsible for this Base Code Area with required skills and the seniority to manage Workplace Requirements. Md. Abu Shaid Khan- Assistant Manager (HR, Admin & Compliance), is responsible implementation of the Code Area. The facility has implemented a system to ensure the management structure and responsibilities are reactive to changing circumstances. Based on above scenario Resources area of Management Systems can be graded as 'Robust Management System'.</p> <p>3. Communication and Training: The facility has provided effective training and communicated the policy and procedures to all relevant workers, including managers and supervisors. The has a yearly training calendar to conduct training which includes assessment, feedback and refresher training. The facility conducts training need assessment (TNA) to understand of those who need to receive training and communications for ensuring a high level of efficacy. Based on above scenario Communication and Training area of Management Systems can be graded as 'Robust Management System'.</p> <p>4. Monitoring: The facility effectively monitors the implementation of policy and procedures and also takes action where shortfalls are identified through proper root cause analysis. Md. Abu Shaid Khan- Assistant Manager (HR, Admin & Compliance) monitor the effectiveness of procedures to meet policy and Workplace Requirements. The facility has set KPI for responsibilities for monitoring and targets achievements. Based on above scenario Monitoring area of Management Systems can be graded as 'Robust Management System'.</p>

Summary of findings

Code area	Workplace requirement	Local law	Finding
Systems and evidence examined to validate this code section	<p data-bbox="730 398 863 421">No findings</p> <p data-bbox="555 517 735 539">Current system:</p> <ul data-bbox="555 544 1477 663" style="list-style-type: none"> •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. <p data-bbox="555 689 783 712">Evidence examined:</p> <ul data-bbox="555 716 1062 927" style="list-style-type: none"> - Social Policy Manual - Sample Labour contracts (for 62 employee) - Sample Payrolls (for 62 employees) - Leave records - Employment Agreements - Site tour (Calculation on estimated capacity) - Materials in/out records - Management interviews - Worker interviews 		

8. Regular employment is provided

Data points

Percentage of workers that are permanently or temporarily employed	100.0%
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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%
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Percentage of workers employed as apprentices, trainees or interns	0.0%
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8.A. Sub-contracting and homeworkers are used responsibly

Management systems

Develop and maintain relevant policies and procedures to ensure workplace requirements are met	Some Improvements Recommended
Appoint a manager with sufficient seniority who is responsible for implementing procedures	Robust Management Systems
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 policies and procedures covering site context to lead compliance in Sub-contracting however, the facility does not cover homeworkers policies and procedures. Based on above scenario Policies and Procedures area of Management Systems can be graded as 'Some Improvements Recommended'.</p> <p>2. Resources: The facility has assigned role(s) responsible for this Base Code Area with required skills and the seniority to manage Workplace Requirements. Md. Abu Shaid Khan- Assistant Manager (HR, Admin & Compliance), is responsible implementation of the Code Area. The facility has implemented a system to ensure the management structure and responsibilities are reactive to changing circumstances. Based on above scenario Resources area of Management Systems can be graded as 'Robust Management System'.</p> <p>3. Communication and Training: The facility has provided effective training and communicated the policy and procedures to all relevant workers, including managers and supervisors. However, the facility does not provide homeworkers policy and procedures training to supervisor and Sr. management Based on above scenario Communication and Training area of Management Systems can be graded as 'Some Improvements Recommended'.</p> <p>4. Monitoring: The facility effectively monitors the implementation of policy and procedures and also takes action where shortfalls are identified through proper root cause analysis. Mahmudul Hasan- Head of Department (HR, Admin & Compliance) monitor the effectiveness of procedures to meet policy and Workplace Requirements. The facility has set KPI for responsibilities for monitoring and targets achievements. Based on above scenario Monitoring area of Management Systems can be graded as 'Md. Abu Shaid Khan- Assistant Manager (HR, Admin & Compliance)'.</p>

Summary of findings

Code area	Workplace requirement	Local law	Finding
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No findings

Systems and evidence examined to validate this code section

Current system:

•A site tour showed that all production processes were present inside this factory premises.

•Factory is not using external processes.

•Facility is not using any home workers.

•Factory has a sub-contract policy, if the client's product need subcontractor, they would inform the client.

Evidence examined:

- Factory policy and procedure for sub-contracting

- Review of the production records

- Review of the production planning records

- Health and Safety Records

- Records of Payments

- 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 homemaker?

Are full records of homeworkers available at the site?

Does the supplier buy products or services from suppliers that use homeworkers? No
N/A. No such case found during audit.

Sub-contracting

Are there any concerns about unrecorded work or undeclared sub-contracting on site, giving considerations to the workers' capacity? No
When required, facility do washing process from external factories with consent of buyers/Clients.

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	Robust Management Systems
Appoint a manager with sufficient seniority who is responsible for implementing procedures	Robust Management Systems
Communicate and train employees and other workers, including managers and supervisors, on relevant policies and procedures	Robust Management Systems
Monitor the effectiveness of procedures to meet policy and workplace requirements	Robust Management Systems

Explanation for management systems grades

1. Policies and Procedure:
The facility has policies and procedures covering site context to lead to sustainable compliance in No harsh or inhumane treatment is allowed. The facility has developed policies and procedures covering Grievance Mechanisms etc and maintaining to ensure Workplace Requirements are met. In addition, the facility has a clear procedure for updating documentation according to changing requirements or situations. Based on above scenario Policies and Procedures area of Management Systems can be graded as 'Robust Management System'.

2. Resources:
The facility has assigned role(s) responsible for this Base Code Area with required skills and the seniority to manage Workplace Requirements. Md. Abu Shaid Khan- Assistant Manager (HR, Admin & Compliance), is responsible implementation of the Code Area. The facility has implemented a system to ensure the management structure and responsibilities are reactive to changing circumstances. Based on above scenario Resources area of Management Systems can be graded as 'Robust Management System'.

3. Communication and Training:
The facility has provided effective training and communicated the policy and procedures to all relevant workers, including managers and supervisors. The has a yearly training calendar to conduct training which includes assessment, feedback and refresher training. The facility conducts training need assessment (TNA) to understand of those who need to receive training and communications for ensuring a high level of efficacy. Based on above scenario Communication and Training area of Management Systems can be graded as 'Robust Management System'.

4. Monitoring:
The facility effectively monitors the implementation of policy and procedures and also takes action where shortfalls are identified through proper root cause analysis. Md. Abu Shaid Khan- Assistant Manager (HR, Admin & Compliance) monitor the effectiveness of procedures to meet policy and Workplace Requirements. The facility has set KPI for responsibilities for monitoring and targets achievements. Based on above scenario Monitoring area of Management Systems can be graded as 'Robust Management System'.

Summary of findings

Code area	Workplace requirement	Local law	Finding
No findings			
Systems and evidence examined to validate this code section	<p>Current system:</p> <ul style="list-style-type: none"> •During document review, worker interviews and facility visit no sign of harsh and inhumane treatment was observed. •Factory has policy of progressive disciplinary action; no physical and mental abuses are used as disciplinary measures. <p>Evidence examined:</p> <ul style="list-style-type: none"> - 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 		

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 put any complain or suggestion in Complaint box and suggestion box. In addition, workers can raise their voice and share any concern to workers' representatives.

Number of grievances raised in the last 12 months 3

Number of grievances resolved in the last 12 months 3

10.A. Environment 2-Pillar

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	Robust Management Systems
Communicate and train employees and other workers, including managers and supervisors, on relevant policies and procedures	Robust Management Systems
Monitor the effectiveness of procedures to meet policy and workplace requirements	Some Improvements Recommended
Explanation for management systems grades	<p>1. Policies and Procedure: The facility has policies and procedures covering site context to lead to sustainable compliance in Environment 2-Pillar. The facility has developed policies and procedures covering Environmental Policy, Environmental Management System, Waste Disposal Records etc and maintaining to ensure Workplace Requirements are met. In addition, the facility has a clear procedure for updating documentation according to changing requirements or situations. Based on above scenario Policies and Procedures area of Management Systems can be graded as 'Robust Management System'.</p> <p>2. Resources: The facility has assigned role(s) responsible for this Base Code Area with required skills and the seniority to manage Workplace Requirements. Mahmudul Hasan- Head of Department (HR, Admin & Compliance), is responsible implementation of the Code Area. The facility has implemented a system to ensure the management structure and responsibilities are reactive to changing circumstances. Based on above scenario Resources area of Management Systems can be graded as 'Robust Management System'.</p> <p>3. Communication and Training: The facility has provided effective training and communicated the policy and procedures to all relevant workers, including managers and supervisors. The has a yearly training calendar to conduct training which includes assessment, feedback and refresher training. The facility conducts training need assessment (TNA) to understand of those who need to receive training and communications for ensuring a high level of efficacy. Based on above scenario Communication and Training area of Management Systems can be graded as 'Robust Management System'.</p> <p>4. Monitoring: The facility effectively monitors the implementation of policy and procedures and also takes action where shortfalls are identified through proper root cause analysis. Due to the absence of effective monitoring system to meet workplace policy and procedures, it has already led to minor NCs in Environment section. For example, Environment Clearance Certificate (23-112125) of the factory has been expired etc. Based on above scenario Monitoring area of Management Systems can be graded as Some Improvements Recommended '.</p>

Summary of findings

Code area	Workplace requirement	Local law	Finding
10.A. Environment 2-Pillar	10.A.B Comply with relevant local, regional a...	§1	NC ZAF600740588
Systems and evidence examined to validate this code section	<p>Current system:</p> <ul style="list-style-type: none"> •The facility has its policy on environmental protection •Facility has agreement with waste management company for arrangements of solid waste •No objection certificate (NOC) from concerned authority. (Department of Environment). <p>Evidence examined:</p> <ul style="list-style-type: none"> - Social Policy Manual. - Environmental Policy - Environmental Management System (EMS) Documentation - Environmental Impact Assessments - Waste Disposal Records. - The factory is measuring their energy consumption per month. - The factory had written environmental policy. 		

Findings: non-compliances

ZAF600740588

Non-compliance

Due 2025-01-17

Code area

10.A Environment 2-Pillar

Status

Open*

Workplace requirement

10.A.B Comply with relevant local, regional and national laws or regulations, and have the correct documentation or permits, including for resource use (e.g. water, energy, material) and waste disposal.

Time given to resolve

30 days

Issue title

606 - Environmental certifications or environmental management systems documentation were not available to review

Verification method

Desktop audit

Area of non-compliance/non-conformance

Local law
Base code

Description

Through documents review and management interview it was noted that Environment Clearance Certificate of the factory has been expired on 13 April 2017. However, factory management has applied for renewal on 21 January 2024 but not received yet.

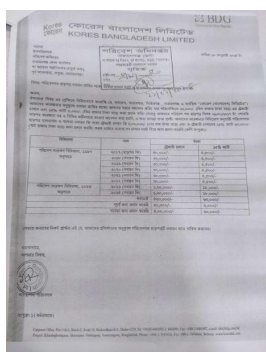
Corrective and preventative actions

It is recommended that the facility management should have updated Environment Clearance Certificate.

Local law reference

Bangladesh Environment Conservation Act, 1995, section 12 (No industrial unit or project shall be established or undertaken without obtaining, in the manner prescribed by rules, an Environmental Clearance Certificate from the Director General.)

Evidence



[Environment Clearance Certificate applied.JPG](#)



* PDF generated at 13:50 (UTC) on 18 Dec 2024. [View this finding on the Sedex platform](#) for live updates and closure details.

10.A. Environment 2-Pillar

Data points

<p>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)?</p>	<p>No</p>
<p>Does the site have any valid environmental or energy management certificates?</p>	<p>The factory did not obtain certificate such as ISO14001.</p>
<p>Are there any other sustainability certifications present (e.g. Forest Stewardship Council (FSC), Marine Stewardship Council (MSC)?</p>	<p>No</p>
<p>Has the site implemented or made plans to implement any adaptive measures to protect workers from the impact of climate change?</p>	<p>Yes The facility provides awareness training to the workers regarding climate change.</p>

10.B. Environment 4-Pillar

Summary of findings

Code area	Workplace requirement	Local law	Finding
	No findings		
Systems and evidence examined to validate this code section	<p>Current system:</p> <ul style="list-style-type: none"> •Factory management has appointed a designated person Md. Abu Shaid Khan-Assistant Manager (HR, Admin & Compliance) to take care about environmental requirement. •Main production process of the factory is Winding, Jacquard (Knitting), Linking, Trimming, Iron, PQC, Washing and Finishing. •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>Evidence examined:</p> <ul style="list-style-type: none"> -Environmental policy and procedure, -Environmental management training record Last training date: 05 November 2024, -Different types of records for energy and water consumption, -Energy reduction target, -Chemical inventory records. -Chemical safety training record Last training date: 06 November 2024, -Verified Environmental Impact Assessment, Indoor Air Quality Assessment, Ambient Air Quality Assessment, Light Level Assessment, Noise Level Assessment, Temperature Level Assessment, Humidity Level Assessment done by 3rd party. 		

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?	Yes The facility has a system for managing client's requirements and legislation in the destination countries regarding environmental and chemical issues.
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))?	Yes The facility management has established long-term goals to achieve a 5% reduction in water usage based on the 2023 baseline, with a target year of 2024. Additionally, a goal has been set to attain a 5% reduction in energy consumption, also using 2023 as the base year and aiming for completion by 2024.
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 (2023)	Previous full calendar year (2022)
Total electricity consumption from non-renewable sources (kWh)	720,000	770,904
Total electricity consumption from renewable sources (kWh)	0	0
Sources of renewable energy used	Data not available	Data not available

Types of renewable energy used	Data not available	Geothermal
Total natural gas consumption (kWh)	96,000	107,004
Usage of other purchased fuels	Diesel fuels	Diesel fuels
Has the site completed any carbon footprint analysis?	No	No
Water sources	Under Ground Water	Under Ground Water
Does the site use mercury or mercury compounds?	No	No
Water volume used (m3)	2,160,000	2,016,000
Water discharged	Drainage system	Drainage system
Water volume discharged (m3)	2,628,013	3,000,143
Water volume recycled (m3)	0	0
Total waste produced (mt)	56,930	43,670
Total hazardous waste produced (mt)	120	130
Waste to recycling (mt)	0	0
Waste to landfill (mt)	0	0
Waste to other (mt)	0	0
Total product produced (mt)	840,000	900,000

10.C. Business ethics

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	Robust Management Systems
Communicate and train employees and other workers, including managers and supervisors, on relevant policies and procedures	Robust Management Systems
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 policies and procedures covering site context to lead to sustainable compliance in Business ethics. The facility has developed policies and procedures covering business ethics policy including Bribery & Corruption anti Bribery & corruption training records, reports from Anonymous email account, management interview meeting etc and maintaining to ensure Workplace Requirements are met. In addition, the facility has a clear procedure for updating documentation according to changing requirements or situations. Based on above scenario Policies and Procedures area of Management Systems can be graded as 'Robust Management System'.</p> <p>2. Resources: The facility has assigned role(s) responsible for this Base Code Area with required skills and the seniority to manage Workplace Requirements. Md. Abu Shaid Khan- Assistant Manager (HR, Admin & Compliance), is responsible implementation of the Code Area. The facility has implemented a system to ensure the management structure and responsibilities are reactive to changing circumstances. Based on above scenario Resources area of Management Systems can be graded as 'Robust Management System'.</p> <p>3. Communication and Training: The facility has provided effective training and communicated the policy and procedures to all relevant workers, including managers and supervisors. The has a yearly training calendar to conduct training which includes assessment, feedback and refresher training. The facility conducts training need assessment (TNA) to understand of those who need to receive training and communications for ensuring a high level of efficacy. Based on above scenario Communication and Training area of Management Systems can be graded as 'Robust Management System'.</p> <p>4. Monitoring: The facility effectively monitors the implementation of policy and procedures and also takes action where shortfalls are identified through proper root cause analysis. Md. Abu Shaid Khan- Assistant Manager (HR, Admin & Compliance) monitor the effectiveness of procedures to meet policy and Workplace Requirements. The facility has set KPI for responsibilities for monitoring and targets achievements. Based on above scenario Monitoring area of Management Systems can be graded as 'Robust Management System'.</p>

Summary of findings

Code area	Workplace requirement	Local law	Finding
No findings			
Systems and evidence examined to validate this code section	<p>Current system:</p> <ul style="list-style-type: none"> •The facility has a policy on anti-corruption and anti-bribery. •Md. Abu Shaid Khan- Assistant Manager (HR, Admin & Compliance) was the designated person responsible for implementing standards concerning Business Ethics. •The company established the business ethics policy and communicated both externally and internally and provide training on the same. <p>Evidence examined:</p> <ul style="list-style-type: none"> -The company business ethics policy including Bribery & Corruption -Anti Bribery & Corruption training records Last training date: 09 November 2024 -Worker hand book -Reports from Anonymous email account -Management interview 		

10.C. Business ethics

Data points

Has the site received an official notice, fine or prosecution for any non-compliances with business ethics legislation, regulation, consent or permits (within the last three years)?

No

Provide any certified anti-bribery management systems for the site

The site has no recognized anti-bribery Management Systems certification.

Attachments



[Kores Bangladesh PLC - Photo Report.pdf](#)



[Kores Bangladesh PLC - Signed CAPR.pdf](#)





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