

Sedex Members Ethical Trade Audit Report

Version 7



Contents

[Audit content](#)

[Audit details](#)

[SMETA declaration](#)

[Summary of findings](#)

[Management systems](#)

[Site details and data points](#)

[Site details](#)

[Worker analysis](#)

[Worker interviews](#)

[Measure workplace impact](#)

[0. Enabling accurate assessment](#)

[1. Employment is freely chosen](#)

[1.A. Responsible recruitment and entitlement to work](#)

[2. Freedom of association and right to collective bargaining are respected](#)

[3. Working conditions are safe and hygienic](#)

[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](#)

[10.A. Environment 2-Pillar](#)

[10.B. Environment 4-Pillar](#)

[10.C. Business ethics](#)

[Attachments](#)

Audit content

(1) A SMETA audit was conducted which included some or all of labour standards, health and safety, environment and business ethics. The SMETA minimum requirements were applied and the SMETA auditor manual was followed. The scope of workers included all types at the site e.g. direct employees, agency workers, workers employed by service providers and workers provided by other contractors. Any deviations from the SMETA methodology are stated (with reasons for deviation) in the SMETA declaration.

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

2-pillar audits include:

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

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

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

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

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

Audit details

Site details

Sedex site reference	ZS1018182	Site name	Atashi Fashion Limited
Business name	Atashi Fashion	Site address	„- I Dhaka BD 1350

Audit details

Sedex company reference	ZC1032149	Auditor company name	TUV Rheinland (TUEV Rheinland)
Audit company address	Am Grauen Stein, Cologne, DE, 51105		
Date of audit	2025-10-26	Audit conducted by	Farjana Nahar
Audit pillars	Labour Standards Health and safety Environment 4-Pillar Business ethics		
Time in and out	Day 1	Day 2	
	In 08:10	In	08:15
	Out 17:00	Out	13:30
Audit type	Full initial		
Was the audit announced?	Semi announced		
Was the Sedex SAQ available for review?	Yes		

[← Contents](#)

[Findings →](#)

Who signed and agreed CAPR? Khan Shahidul Islam / General Manager- Merchandising & Planning

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	No union is formed in the factory. It is not mandatory by local law. Facility has formed Participation Committee, the worker representatives of the participation committee may carry out the activities related to the interests of the workers in the manner prescribed by local law.		
Reason for absence during the audit	No union is formed in the factory. It is not mandatory by local law. Facility has formed Participation Committee, the worker representatives of the participation committee may carry out the activities related to the interests of the workers in the manner prescribed by local law.		
Reason for absence at the closing meeting	No union is formed in the factory. It is not mandatory by local law. Facility has formed Participation Committee, the worker representatives of the participation committee may carry out the activities related to the interests of the workers in the manner prescribed by local law.		

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) None

Lead auditor	Farjana Nahar	APSCA Number	21701687
Additional auditor	Shafayet Noman	APSCA Number	32400585
Date of declaration	2025-10-27		

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	Khan Shahidul Islam
Title	General Manager- Merchandising & Planning
Date of declaration	2025-10-27

Summary of findings

Code area	Workplace requirement	Area of NC	Finding
2. Freedom of association and right to collective bargaining are respected	2.E Comply with all other applicable laws tha...	Local law Base code	NC ZAF601175336
3. Working conditions are safe and hygienic	3.A Ensure a safe working environment. Put in...	Local law Base code	NC ZAF601175338
	3.A Ensure a safe working environment. Put in...	Local law Base code	NC ZAF601175340
	3.A Ensure a safe working environment. Put in...	Base code	NC ZAF601175343
	3.B Conduct risk assessments regarding the po...	Local law Base code	NC ZAF601175342
	3.D Form a health and safety committee (or in...	Local law Base code	NC ZAF601175337
	3.O Implement an appropriate electrical safet...	Local law Base code	NC ZAF601175345
5.A. Living wages are paid	5.A.A Review workers' total pay including ben...	Base code	NC ZAF601175344
10.A. Environment 2-Pillar	10.A.B Comply with relevant local, regional a...	Local law Base code	NC ZAF601175339
10.B. Environment 4-Pillar	10.B.I Monitor and mitigate the site's impact...	Base code	NC ZAF601175341

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

[← Summary of findings](#)


[Site details →](#)

	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	ZC1032149	
Sedex site reference	ZS1018182	
Company name	Atashi Fashion	
Business ownership type	GOODS	
Site name	Atashi Fashion Limited	
Site name in local language		
GPS location	GPS address	Joyapura, Dhamrai, Dhaka, Bangladesh.
	Coordinates	23°54'49.3"N 90°10'28.7"E
Is the worksite in a remote location, far from habitation?	No	
Site contact	Contact name	Khan Shahidul Islam
	Job title	General Manager- Merchandising & Planning
	Phone number	+8801611464646
	Email	shahid@atashifashion.com.bd

[← Management systems](#)

[Worker analysis →](#)

Company and site details

Applicable business and other legally required business license numbers and documents

- Certificate of Incorporation: C-54827(1512/04, Incorporated on November 6, 2004, No expiry date.
- Factory license: 26-14-1-115-00041(Category- G), issued by Department of Inspection for Factories and Establishments, valid till March 10, 2026.
- Trade license: 20182611483000245, issued by Shombhag Union Porishod, valid till 30 June 2026.
- Fire license: DD/Dhaka/27003/2017; issued by Bangladesh Fire Service & Civil Defense Authority, which is valid till 30 June 2026.

Site activities

Site function	Factory Processing/Manufacturer Finished Product Supplier
Site activities	<p>Primary Manufacture of knitted and crocheted fabrics</p> <p>Secondary</p> <p>Other</p>
Product type	All Kinds of Sweater Items
Process overview	<p>Product item: All Kinds of Sweater Items.</p> <p>Main production processes: Winding, Jacquard, linking, trimming & mending, washing, sewing & finishing.</p> <p>Production Line: 4 lines.</p> <p>Machine List: Auto jacquard, Super dial linking (198 machines), Overlook machine, Light check machine, Washing machine, Hydro extractor (200 lbs), Steam dryer (80 lbs), Gas dryer (120 lbs), Steam boiler (500 kgs), Steam iron, Plain sewing machine (35 Machines), Button holes machine, Button stitch machine, Bartack machine, Eyelet machine, Flat lock machine, Auto placket machine, Power generator (100 kVA), Power generator (150 kVA), Power generator (200 kVA), Power generator (350 kVA), 12 spindle winding machine, 8 spindle winding machine, 4 spindle winding machine.</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
--	-----

[← Site details](#)

[Worker analysis →](#)

Site scope

What is the area of audited site to its boundary?	10591m ²
Building 1	<p>Last construction works on site 2017</p> <p>If building is shared, provide details None</p> <p>Number of floors 2</p> <p>Description of floor activities Building-01: Prefabricated tin shed building Ground floor: Knitting (Jacquard) Section, Knitting Distribution, Knitting Inspection, Sample Section, Trimming Section, Mending Section, Linking Section, Linking Distribution, Overlock Section, Bartek Section, Wash Section, Light Check. Office Room, Medical Room, Childcare Room, Programmer Room, Accessories Store, 1st floor: Yarn Store, Sewing Section, PQC Section, Ironing Section, Light Check Section, Packing Section, Inspection Room, Finished Goods Storing Area, Conference Room.</p>
Building 2	<p>Last construction works on site 2017</p> <p>If building is shared, provide details None</p> <p>Number of floors 2</p> <p>Description of floor activities Building 02 (2 storied RCC building) Ground floor: Sub-station, Maintenance room, Boiler, Generator. 1st floor: Compressor, solar panel, water tank Roof top: Water tank.</p>

[← Site details](#)

[Worker analysis →](#)

Site scope

Building 3	Last construction works on site	2017
	If building is shared, provide details	None
	Number of floors	1
	Description of floor activities	Shed 01: Winding
Building 4	Last construction works on site	2017
	If building is shared, provide details	None
	Number of floors	1
	Description of floor activities	Shed 02: Canteen and dining.
Building 5	Last construction works on site	2020
	If building is shared, provide details	None
	Number of floors	1
	Description of floor activities	Shed 03: Waste Area and Chemical store
Building 6	Last construction works on site	2017
	If building is shared, provide details	None
	Number of floors	1
	Description of floor activities	Shed 04: Security Post.
Building 7	Last construction works on site	2024
	If building is shared, provide details	None
	Number of floors	1
	Description of floor activities	Shed 05: Effluent Treatment Plant

[← Site details](#)

[Worker analysis →](#)

Site scope

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

Facility did not provide any transportation for the workers and it is not required in 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	75-90%	

[← Site details](#)

[Worker analysis →](#)

Work patterns

Is there any night shift work at the site?	Yes
	The Facility had night shift for jacquard section. shift-1: 08 AM TO 5:00 PM and Shift-2: 08:00 PM to 05:00 Am.
What percentage of the workforce, including temporary and agency workers, work during the night shift?	14%
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
	The facility operates in two shifts: Shift 1 from 8:00 AM to 5:00 PM and Shift 2 from 8:00 PM to 5:00 AM. Workers rotate between the two shifts weekly, those work in Shift 1 one week would work in Shift 2 the next week. 02 workers who were on the night shift during the audit dates were taken in sample but could not be interviewed.

Site assessments

Does this site hold any certifications that address labour standards, human rights, corruption or environmental impact?	Other social audit
	amfori BSCI audit was conducted on October 6, 2025, and valid till October 5, 2027
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
	N/A. No such assessment was conducted.
Has there been a Human Rights Impact Assessment (HRIA) conducted within the last three years at this site?	No
	No human rights impact assessment (HRIA) was conducted in this facility.

[← Site details](#)

[Worker analysis →](#)

Worker analysis

Gender disaggregated data available Men and women

Worker totals

	Men	Women	Other	Total
Number of workers	199 (53.5%)	173 (46.5%)	- -	372 (100%)

Workers by type

	Men	Women	Other	Total
Permanent workers (employees)	199 (53.5%)	173 (46.5%)	- -	372 (100%)
Temporary or fixed term employees	0 -	0 -	- -	0 (0%)
Agency or subcontracted workers	0 -	0 -	- -	0 (0%)
Seasonal workers	0 -	0 -	- -	0 (0%)
Self-employed workers	0 -	0 -	- -	0 (0%)
Informal workers including home workers	0 -	0 -	- -	0 (0%)
Apprentices, trainees or interns	0 -	0 -	- -	0 (0%)

* % of total workforce

[← Site details](#)

[Worker interviews →](#)

Migrant workers

	Men	Women	Other	Total
Domestic migrant workers	0 -	0 -	- -	0 (0%)
International migrant workers	0 -	0 -	- -	0 (0%)
Total migrant workers	0 -	0 -	- -	0 (0%)

* % of total workforce

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

N/A, there is no state in Bangladesh.

Workers by age

	Men	Women	Other	Total
18 - 24 years old	60 (53.6%)	52 (46.4%)	- -	112 (30.1%)
15 - 17 years old	0 -	0 -	- -	0 (0%)
Under 15 years old	0 -	0 -	- -	0 (0%)

* % of total workforce

[← Worker analysis](#)

[Worker interviews →](#)

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	53%	47%	-	100%

Workers by remuneration type

	Men	Women	Other	Total
Workers paid per unit (piece rate)	48 (40%)	72 (60%)	- -	120 (32.3%)
Workers paid based on a mix of 'piece work' and hourly rate	0 -	0 -	- -	0 (0%)
Workers paid hourly / daily rate	0 -	0 -	- -	0 (0%)
Salaried workers	151 (59.9%)	101 (40.1%)	- -	252 (67.7%)

* % of total workforce

Workers by payment cycle

	Men	Women	Other	Total
Paid daily	0 -	0 -	- -	0 (0%)
Paid weekly	0 -	0 -	- -	0 (0%)
Paid monthly	199 (53.5%)	173 (46.5%)	- -	372 (100%)
Other	0 -	0 -	- -	0 (0%)

* % of total workforce

If other payment cycle entered, please provide details None

People in managerial, supervisory and administrative roles

	Men	Women	Other	Total
Employees in management positions	5 (100%)	0 (0%)	- -	5
Supervisors or team leaders	14 (100%)	0 (0%)	- -	14
Administrative staff	15 (83.3%)	3 (16.7%)	- -	18

[← Worker analysis](#)

[Worker interviews →](#)

Worker interview summary

Gender disaggregated data available Men and women

Which methods of worker engagement were used? Individual interviews
Group 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 04 Group of 05 (20 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?

Other (provide details)

No concern was found from the workers.

What did the workers like the most about working at this site?

Freedom of movement
Grievance mechanisms
Hours worked, rest days or breaks
Job security
Overtime
Pay
Training and development

Additional comments

As reported, the work condition in the facility is great, and workers could raise concerns or complaints to the worker representatives directly or to the top management through suggestion box/ hotlines. They are satisfied with timely payment of wages, a pleasant workplace, and cooperative management. In addition to these elements, the employees valued the chances for development and promotion inside the facility.

Attitude of workers' committee/union representatives

Auditor conducted interview with 01 elected member of Participation Committee & found happy with the working condition and overall management system of the factory. Worker can share anything with the committee member & Committee share with management in the regular meeting. Management is very cooperative resolving any demand from committee as well as from workers. Participation committee has been formed consists of both the factory management and employees' representatives as per legal requirement. There is total 12 members in this committee (04 from management and 08 from workers). Meeting is conducted between workers representative and management in 2 months interval as per legal requirement. Last meeting conducted on September 20, 2025.

Attitude of workers

Attitude of managers

Facility management has nominated Manager-Compliance who is responsible person to follow and implement latest information on all relevant laws and regulation concerning each of the principles and simultaneously include that latest information and updated requirements in policy and procedure of its business practice. The facility has adopted HR policy which was found updated with recent changes in laws and regulations. Attitude of management was positive and cooperative during the audit. All necessary areas were allowed access during site visit. In the closing meeting, the management agreed with the non-compliances and stated that they would take corrective actions & consider it as development tool for their factory. No negative approach was noticed during entire process of the audit.

Workers interviewed by type

	Total
Permanent workers	27
Temporary or fixed-term employees	0
Agency or subcontracted workers	0
Seasonal workers	0
Other workers	0
Total number of workers interviewed	27

Workers interviewed by group/individual

	Men	Women	Other	Total
Workers interviewed in groups	10	10	-	20

[← Worker analysis](#)

[Measuring workplace impact →](#)

Workers interviewed by group/individual

Workers interviewed individually	4	3	-	7
----------------------------------	---	---	---	---

[← Worker analysis](#)

[Measuring workplace impact →](#)

Migrant workers interviewed

	Men	Women	Other	Total
Domestic migrant workers interviewed	0	0	-	0
International migrant workers interviewed	0	0	-	0
Total migrant workers interviewed	0	0	-	0

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%	-	4.0%
Last full calendar year (2024)	2.0%	2.0%	-	4.0%
Previous full calendar year (2023)	1.0%	2.0%	-	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)	2.0%	2.0%	-	4.0%
Last full calendar year (2024)	2.0%	2.0%	-	4.0%
Previous full calendar year (2023)	1.0%	2.0%	-	3.0%

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

Are accidents recorded? Yes

The facility is maintaining all incident and accident record in government prescribe format.

[← Worker interviews](#)

[Code area 0 →](#)

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

	Men	Women	Other	Total
Last full quarter (90 days)	1.0%	1.0%	-	2.0%
Last full calendar year (2024)	2.0%	2.0%	-	4.0%
Previous full calendar year (2023)	1.0%	2.0%	-	3.0%

* 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)	1.0%	2.0%	-	3.0%
Last full calendar year (2024)	2.0%	2.0%	-	4.0%
Previous full calendar year (2023)	1.0%	2.0%	-	3.0%

* 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 total hours in a given week

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

[← Worker interviews](#)

[Code area 0 →](#)

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

Previous full calendar year (2023)	0.0%	0.0%	-	0.0%
------------------------------------	------	------	---	------

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

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

0. Enabling accurate assessment

Summary of findings

Code area	Workplace requirement	Area of NC	Finding
			No findings
Systems and evidence examined to validate this code section	<p>Current system:</p> <ol style="list-style-type: none"> 1. Facility has allowed the auditor to conduct and complete the audit without obstruction to all requested documents, interviewees without any interference. All information was found accurate as per the provided audit request form. 2. During audit, all information were triangulated, and no manipulated or falsifying documents were found. 3. Facility has provided the auditor with genuine and authentic records. Facility has provided an accurate site description and SEDEX site profile declared prior to the initial audit. <p>Remarks:</p> <ol style="list-style-type: none"> i) Company name is written as Atashi Fashion but factory address will be as per site name Atashi Fashion Limited. ii) Local name is not written by the factory management. However, auditor communicated with the factory for writing local name but still not updated by the factory. <p>Evidence examined:</p> <ul style="list-style-type: none"> - Documents review (i.e., review of company policy and procedures, company profile, internal audit report etc. - Workers Interview (Worker’s representatives, Pregnant worker, security guards etc.) - Management interview (Recruitment In-charge, Compliance Manager, Fire Safety Officer etc.) 		

0. Enabling accurate assessment

Data points

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

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

1. Employment is freely chosen

Management systems

Develop and maintain relevant policies and procedures to ensure workplace requirements are met	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

Management systems

Explanation for management systems grades

1) Policies & Procedures

Grade: Robust Management Systems

The facility has a well-defined, comprehensive policy prohibiting forced or coerced labor. It ensures that all employees are freely chosen, and this policy aligns with international labor standards. The policy includes procedures for verifying employment terms and is reviewed annually. The facility maintains a strong commitment to ensuring voluntary employment at all levels.

2) Resources

Grade: Robust Management Systems

The HR department has dedicated resources and a clear mandate to enforce the policy on freely chosen employment. The recruitment process includes thorough verification of employment terms, and sufficient training is provided to HR personnel. The facility did not involve external agencies to ensure recruitment practices are ethical and in compliance with the law.

3) Communication & Training

Grade: Robust Management Systems

All employees receive regular training on their rights regarding employment and freedom from coercion. The training is comprehensive, provided during onboarding and refreshed annually. Top and mid management are well-trained to identify any concerns related to forced labor, and workers are educated on how to report any suspected violations.

4) Monitoring

Grade: Some Improvements Recommended

The facility has conducted regular and thorough internal audits to monitor the recruitment process. Third-party audits are also utilized to ensure compliance with ethical recruitment practices. Additionally, workers have a confidential reporting mechanism to raise any concerns regarding forced labor, which is actively monitored. However, the effectiveness of the trainings must be assessed.

Summary of findings

Code area	Workplace requirement	Area of NC	Finding
No findings			

[← Code area 0](#)

[Code area 1.A →](#)

Systems and evidence examined to validate this code section

Current system:

1. Freely chosen employment the principle is a fundamental human right and is enshrined in international labor standards.
2. The facility has policy where refers to the principle that all work should be freely chosen and workers should have the freedom to leave work at any time without penalty. It implies several key elements: Workers should not be forced to work under threat or penalty.
3. Workers should have the right to leave their employment after reasonable notice.

Evidence examined:

- Social Compliance Management system manual and policy and procedure
- Checked personnel files of the workers, contracts, appointment letters, terms and conditions.
- Attendance records
- Hiring Contracts
- Job description of Security Guards

1. Employment is freely chosen

Data points

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

Does the site utilise any workers who are prisoners? No

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

1.A. Responsible recruitment and entitlement to work

Management systems

Develop and maintain relevant policies and procedures to ensure workplace requirements are met	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

Management systems

Explanation for management systems grades

1) Policies & Procedures

Grade: Robust Management Systems

The facility has clear, responsible recruitment policies ensuring that all workers are legally entitled to work. The procedures for verifying work eligibility are transparent and consistently enforced. The policy is reviewed annually and is compliant with all relevant international and local laws regarding recruitment and work permits.

Additionally, the facility entitles workers as per government prescribe designation which mentioned on wage gazette 2023.

2) Resources

Grade: Robust Management Systems

The HR team has all necessary resources, including dedicated personnel and tools, to manage responsible recruitment processes. External legal experts/auditors are audited regularly to ensure that recruitment practices meet international standards.

Adequate support is also provided for workers who need assistance with work permits or other legal documentation.

3) Communication & Training

Grade: Some Improvements Recommended

Extensive training is provided to HR and recruitment teams, ensuring they are well-versed in the laws governing work permits and recruitment. Employees are informed during onboarding about the facility's recruitment policies, and training is updated regularly to address any changes in laws or best practices. However, the trainings need some updates.

4) Monitoring

Grade: Robust Management Systems

Recruitment practices are regularly monitored through both internal audits and external assessments. There is a clear tracking system in place to ensure that all employees' work eligibility is valid and compliant with local laws. Any discrepancies are addressed immediately.

Summary of findings

Code area	Workplace requirement	Area of NC	Finding
			No findings

[← Code area 1](#)

[Code area 2 →](#)

Systems and evidence examined to validate this code section

Current system:

Company can help protect and respect the rights of workers, promote fair labor practices, and contribute to sustainable economic development. Workers file review and workers interview indicated that management or agent did not retain original identification papers of workers. Workers are freely recruited, and no original documents were kept by the facility which is verified during audit. Workers get appointment letter and aware of terms conditions which is confirmed in interview.

Evidence examined:

- Social Compliance Management system manual & Social Policies.
- Personal file & job responsibility of Compliance manager responsible for ETI code implementation.
- Legal documents e.g., licenses, permissions, certificates etc. Legal permission & licenses were found valid.
- Training on ETI base code/ Ethical code to workers on 7 October 2025, participants 20.
- Training on ETI base code/ Ethical code to mid-level management on 9 October 2025, participants 13.
- Training records and meeting minute's records.
- Commitment of suppliers
- Employees Handbook
- Terms and conditions of contract letter

1.A. Responsible recruitment and entitlement to work

Data points

Labour hire

Does the site use labour providers and/or formal, temporary, seasonal or guest worker programmes? Workers are recruited, selected, and hired directly by our company

How do the labour providers recruit and hire workers? N/A - Recruitment providers not used

Where labour providers were used to recruit, what was the highest number of tiers identified in a workers recruitment journey? 0

Are there any subcontracted workers (excluding dispatched labour) on site? No

Were all non-employee (e.g. agency or subcontracted) workers included within the scope of this audit for the purpose of document review and (if onsite on date of audit) interview? Yes

Were sufficient documents for non-employee (e.g. agency or other subcontracted) workers available for review? Yes

Migrant workers

Do any workers migrate across international borders to work at this site? No

[← Code area 1.A](#)

[Code area 2 →](#)

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? No

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

N/A

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 Some Improvements Recommended

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 Some Improvements Recommended

Monitor the effectiveness of procedures to meet policy and workplace requirements Some Improvements Recommended

Management systems

Explanation for management systems grades

1) Policies & Procedures

Grade: Some Improvements Recommended

The facility has a comprehensive policy ensuring that employees' rights to freedom of association and collective bargaining are fully respected. The policy is in line with international labor standards and local law and is actively communicated to all employees. It is reviewed annually and includes provisions for employees to form unions or engage in other collective activities. However, the policy needs some updates, like election for PC starting 90 days ahead of the expiration date.

2) Resources

Grade: Some Improvements Recommended

The facility allocates sufficient resources to support the freedom of association and collective bargaining. The HR and labor relations teams handle any employee concerns regarding their rights, and employees are encouraged to participate in union activities or raise issues freely without fear of retaliation, but the system needs some updates. However, there has to be someone responsible to look after the workers committees and make sure they are functioning properly.

3) Communication & Training

Grade: Some Improvements Recommended

The facility has developed a yearly training plan for the current year, which appropriately includes key topics such as Freedom of Association, Right to Collective Bargaining, and the Role of Worker Representatives. However, the effectiveness of the training must be assessed.

4) Monitoring

Grade: Some Improvements Recommended

The facility has demonstrated a strong commitment to upholding workers' rights by establishing a comprehensive policy supporting freedom of association and the right to collective bargaining. Furthermore, the facility has proactively initiated a structured and transparent process for the effective election of executive members of trade union reflecting a robust and participatory approach to worker engagement. However, the documentation needs some monitoring. However, the facility needs to start the arrangements for the upcoming PC election.

Summary of findings

[← Code area 1.A](#)

[Code area 3 →](#)

Code area	Workplace requirement	Area of NC	Finding
2. Freedom of association and right to collective bargaining are respected	2.E Comply with all other applicable laws tha...	Local law Base code	NC ZAF601175336

[← Code area 1.A](#)

[Code area 3 →](#)

Systems and evidence examined to validate this code section

Current Systems:

1. Company recognizes and respects the rights of employees to exercise their lawful rights of free association and collective bargaining. The facility does not discriminate against employees who form or participate in lawful association. There is neither registered trade union in that area and nor workers entered into any collective bargaining agreement with management of the company however, Workers of the facility are free to form any association/ committee to address the worker problems and demands. If any permanent employee chooses to form any association, they can form it by using legal procedure and can register it.
2. Facility constitutes a Participation Committee (PC) as parallel meaning of workers' committee; consist of the representatives of the employer and the workers through Election process. There are 12 members, 08 from the worker's side and 04 from the management.
3. Worker interview confirmed that the members of the worker's committee had been elected. The last election was on 26 October 2023. Last meeting was conducted on 20 Sep 2025, and discussion points are follows:
 - i. Discussion on company policy.
 - ii. Discussion on cleaning the facilities surroundings.
4. The participation committee meet on regular basis to discuss and exchange views and recommend measures for performance of the functions as prescribed in local law.
5. All copies of reports and minutes of meetings of participating committee sent to Director of Labour as prescribed in local law. Meeting Minutes were reviewed by auditor.
6. Workers know who their representatives are & also aware about their activities.
7. Committee representatives are aware about their responsibilities & duties regarding their committee.

Evidence examined:

- Site policy on freedom of association
- Formation details of Participation Committee (PC) selection.
- Interview with workers
- Interview with committee members
- Interview with managers
- Posted pictures of Participation Committee (PC) representatives
- Meeting records

Findings: non-compliances

ZAF601175336

Non-compliance

Due 2026-01-09

Code area

2 Freedom of association and right to collective bargaining are respected

Status

Open*

Workplace requirement

2.E Comply with all other applicable laws that impose conditions on Code Area 2.

Time given to resolve

60 days

Issue title

835 - Legal requirements relating to worker committees are not met

Verification method

Desktop audit

Description

Based on documents review and management interview, it was noted that the validity of the existing elected Participation Committee (PC) has been expired on 26 October 2025. As per legal requirements, the facility should initiate the necessary procedures to arrange the next election 90 days prior to the expiration of the current committee (which has a validity of two years). It was further noted that the factory management discussed the upcoming election agenda during a Participation Committee meeting with the members.

Area of non-compliance/non-conformance

Local law

Base code

Corrective and preventative actions

It is recommended that the facility take the necessary initiative to conduct the election of the Participation Committee before the expiration.

Local law reference

Bangladesh Labor Rules-2015, Amendment 2022 Rule-197 (2): Duration of activity- (1) duration of activity will be for a period of 2 (two) years from the date of formation of the participating committee.

(2) The next committee to be formed within 3 (three) months before of the expiration of the Committee period, and existing committee will be acting until the new committee will be in charge.

* PDF generated at 11:28 (UTC) on 10 Nov 2025. [View this finding on the Sedex platform](#) for live updates and closure details.

[← Code area 2](#)

[Code area 3 →](#)

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

Data points

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

[← Code area 2](#)

[Code area 3 →](#)

3. Working conditions are safe and hygienic

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 Some Improvements Recommended

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

Monitor the effectiveness of procedures to meet policy and workplace requirements Fundamental Improvements Required

Management systems

Explanation for management systems grades

1) Policies & Procedures

Grade: Some Improvements Recommended

The facility has established a comprehensive policy to maintain safe and hygienic working conditions across all departments. The policy clearly defines procedures related to workplace safety, sanitation, and the use of appropriate protective equipment. It is reviewed and updated regularly to ensure alignment with applicable legal and health standards. Additionally, the facility has conducted a thorough workplace risk assessment. However, the policy needs some updates.

2) Resources

Grade: Some Improvements Recommended

The facility allocates sufficient resources to maintain and continuously improve working conditions. This includes having a dedicated health and safety team, conducting regular inspections, and ensuring the availability of personal protective equipment (PPE) for all employees. Health and safety officers lack some knowledge manage potential and exiting workplace risks and address employee concerns promptly. However, the facility needs to get a medical assistant for the night shift workers.

3) Communication & Training

Grade: Some Improvements Recommended

While some training is provided on safety and hygiene protocols, it has been noted that workers absent from the annual safety training did not receive the missed sessions. Additionally, there is effective mechanism in place to evaluate the effectiveness of the training provided. This has resulted in some workers not wearing the provided PPE during working hours, indicating gaps in training and enforcement. Also, there is a need for assessing the effectiveness of health and safety training. However, the trainings need some updates.

4) Monitoring

Grade: Fundamental Improvements Required

Although written procedures for monitoring workplace conditions exist, there has been a lack of follow-up to ensure corrective actions from internal audits are properly implemented. Regular safety inspections are conducted, but there is no evidence showing that all identified risks or issues have been addressed. There is a need for more robust monitoring to ensure the recorded injuries are being properly analyzed. However, the facility needs to conduct a proper risk assessment including all the areas.

Summary of findings

Code area	Workplace requirement	Area of NC	Finding
3. Working conditions are safe and hygienic	3.A Ensure a safe working environment. Put in...	Local law Base code	NC ZAF601175338
	3.A Ensure a safe working environment. Put in...	Local law Base code	NC ZAF601175340
	3.A Ensure a safe working environment. Put in...	Base code	NC ZAF601175343
	3.B Conduct risk assessments regarding the po...	Local law Base code	NC ZAF601175342
	3.D Form a health and safety committee (or in...	Local law Base code	NC ZAF601175337
	3.O Implement an appropriate electrical safet...	Local law Base code	NC ZAF601175345

[← Code area 2](#)

[Code area 4 →](#)

Systems and evidence examined to validate this code section

Current Systems:

1. Facility has Health & Safety Management System; the company has established procedures for Health & Safety and provides safe working environment for all its workers and to eliminate all potential hazards that can cause work related accidents.

- Facility has developed their own risk assessment, preparedness, and response plans on 2 September 2025 to implement them in a systematic manner, based on a standardized, industry specific health & safety management and risk assessment framework following national & international guidelines.

2. General Health and Safety management:

- General Manager (Merchandising & Planning) is responsible for communicating, deploying and monitoring Health & Safety policies and practices and ensures compliance to the legal requirements.
- Posters on safety and occupational health issues were also found displayed near the working areas to disseminate information on health and safety related issues.
- Workers are aware of the actions to be taken during emergency situations.
- One registered doctor and one nurse are appointed subjects to all employees' premedical examination. The pre-medical examination includes general health check-up, check for any communicable diseases amongst the workers before joining including verification of age. Medical certificates of workers were checked at random from all levels of workers in the company and were found to be in order.
- There are twelve first aid boxes located in each production area, all of which are well stocked and managed by trained first aid responders.
- When a selected workers were interviewed, they confirmed that they had been trained by the factory doctors. These first aiders were identified by their dress prescribed by local law.
- Facility has valid medical contract with local medical center for workers emergency.
- Portable water was freely available in all areas and test report were up to date (test report date -30 September 2025, by Department of Public Health Engineering).

3. Fire Safety:

1. There were at least 02 exits for most work areas and most of the exits were clearly marked.

- Evacuation plans were posted in all areas and understood by all workers interviewed.
- There is total 125 members in the emergency preparedness team which includes fire fighter, first aider and rescuer.
- Fire-fighting equipment was adequate and checks were up to date. Details- Fire extinguishers (ABC- 92; CO2- 50, FOAM- 02), Fire Call point-24, Fire Alarm sounder- 27, Hose reel- 14 points.
- Internal health & Safety training conducted in regular basis, last training was

recorded on 16 October 2025, participants- 20.

4. Electrical and machine safety

- There were competent electricians at the site, and their training certificates were available for review.
- Electrical panel installed adequately, record reviewed: Generator inspected and maintenance 01 Diesel generator internally on 28 June 2025. External maintenance was done on 4 May 2024.
- Fire equipment inspection record review, detail- Fire extinguishers-144.

5. Chemical safety

- Chemicals (diesel, machine oil) were correctly labelled, provided secondary containments.
- Regular chemical training is provided to the workers; last training was record on 13 October 2025.
- The facility has also provided PPE uses training to their worker on 05 October 2025. Additionally, the facility is providing free PPE to their workers and record on government prescribe format.
- First aid responder lists & their training record. Last date of first aid training: 04 October 2025.

Evidence examined:

- Legal license, permissions & certificates.
- Health and safety policy & procedure
- Training registers.
- Accident & injury records
- Internal inspection report
- External inspection reports
- Fire equipment maintenance records.
- First aid responder lists & their training record
- Internal Firefighting training record
- Personal protective Equipment & Health & safety training record
- Interviews with H&S manager.
- Interviews with workers.
- Drinking water test report
- Fire drill records

Findings: non-compliances

ZAF601175338

Non-compliance

Due 2026-01-09

Code area

3 Working conditions are safe and hygienic

Status

Open*

Workplace requirement

3.A Ensure a safe working environment. Put in place adequate controls to prevent accidents and injury (including long-term injury) to health arising out of, associated with, or occurring in the course of work.

Time given to resolve

60 days

Verification method

Desktop audit

Issue title

313 - Nurse on site, but does not cover all necessary shifts/insufficient for the size of site/inadequately trained

Area of non-compliance/non-conformance

Local law

Base code

Description

Based on the plant tour, document review, and management interview, it was noted that the facility has not appointed any medical assistant for the night shift. The facility operates two shifts in the Knitting section — from 8:00 a.m. to 5:00 p.m. and from 8:00 p.m. to 5:00 a.m. Approximately 54 workers are employed in the night shift.

Corrective and preventative actions

It is recommended that facility should ensure a medical assistant for night shift worker.

Local law reference

Bangladesh Labor Rules 2015, amendment 2022: Rule-77 (1): At least one registered Physician shall be in each Treatment Unit of the institute or factory with the facility of dispensary. Additionally, at least one trained compounder or medical assistant, nurse and subordinate employee shall be employed for helping him/her, provided that at least two registered Physicians shall be recruited in case of an institute where more than three thousand employees/workers work and necessary number of medical assistant and nurse shall be recruited for helping the Doctors. Provided further that if the workers of an establishment work in three shifts, the night shift shall be replaced by a Diploma Certified Medical Assistant instead of a Registered Physician.

* PDF generated at 11:28 (UTC) on 10 Nov 2025. [View this finding on the Sedex platform](#) for live updates and closure details.

ZAF601175340

Non-compliance

Due 2025-12-10

[← Code area 3](#)

[Code area 4 →](#)

Code area

3 Working conditions are safe and hygienic

Status

Open*

Workplace requirement

3.A Ensure a safe working environment. Put in place adequate controls to prevent accidents and injury (including long-term injury) to health arising out of, associated with, or occurring in the course of work.

Time given to resolve

30 days

Verification method

Desktop audit

Issue title

397 - Childcare facilities are not provided in alignment with legal requirements

Area of non-compliance/non-conformance

Local law

Description

Based on plant tour and management interviews, it was noted that the childcare room was not adequately furnished or equipped, and the facility had not arranged a designated toilet and washing area for the childcare area as required by local labor law.

Base code

Corrective and preventative actions

It is recommended that facility should ensure a proper furnished childcare room including washing facility.

Local law reference

Bangladesh Labor Law 2006, Section-94 (2) & (7) : In such room there shall be provision for sufficient space, light and air flow, and shall be maintained in a clean and hygienic condition, and the room shall be in charge of experienced or trained woman. And the said rooms shall be adequately furnished and in particular, 1 (one) cot or cradle with bed shall be kept therefore each child, and there shall be at least one chair or any similar seat for the use of each mother while she is feeding or attending to her child, and adequate and suitable toys shall be supplied for the comparatively older children.

Evidence



[Childcare room was not adequately furnished.JPG](#)

[← Code area 3](#)

[Code area 4 →](#)

* PDF generated at 11:28 (UTC) on 10 Nov 2025. [View this finding on the Sedex platform](#) for live updates and closure details.

ZAF601175343

Non-compliance

Due 2026-01-09

Code area

3 Working conditions are safe and hygienic

Status

Open*

Workplace requirement

3.A Ensure a safe working environment. Put in place adequate controls to prevent accidents and injury (including long-term injury) to health arising out of, associated with, or occurring in the course of work.

Time given to resolve

60 days

Verification method

Desktop audit

Issue title

320 - Ergonomic support not given to employees adequate to their job including mats for standing, back rest for seats, other materials to support

Area of non-compliance/non-conformance

Base code

Description

Based on plant tour and management interview it was noted that, facility has not ensured ergonomic back support of seating chair in linking, sewing section, which may affect in workers backbone.

Corrective and preventative actions

It is recommended that facility should provide ergonomic support to the required section.

Evidence



[Back support of seating chair not ensured in sewing section..JPG](#)



[Back support of seating chair not ensured in linking section..JPG](#)



* PDF generated at 11:28 (UTC) on 10 Nov 2025. [View this finding on the Sedex platform](#) for live updates and closure details.

[← Code area 3](#)

[Code area 4 →](#)

ZAF601175342

Non-compliance

Due 2025-12-10

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 updated whenever processes change and reviewed at regular intervals.

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

Description

- (i) Through document review and management interview, it was noted that the facility has a risk assessment report. However, the report did not cover ETP, fire risks, flammable boxes, smoking zone, fire control room.
- (ii) Based on plant tour it was noted that one compressor was found in the winding section without any safety barrier, which poses a potential safety hazard

Area of non-compliance/non-conformance

- Local law
- Base code

Corrective and preventative actions

It is recommended that facility should conduct proper risk assessment covering all the areas in the facility.

Local law reference

Bangladesh Labour Rules 2015, Schedule 4(2) B (1)- Following matters shall be included in the guideline prepared under clause (a), Namely. 1. Risk and safety related management of the firm:
 (a) Identifying risky areas (like parts of building, stairs, premises, electric lines, machinery, etc)
 (b) Nature of risk (like crack, gate locked during working hours, dangerous electric connection, etc)
 (c) Risk level (like high/medium/general/not satisfactory)
 (d) Assessment of immediate duties (like prohibition of use, immediate repair, reforms, closure)
 (e) Assessment of necessary protection system in different nature and levels of risk; and
 (f) Assessment of technical and administrative liability.

Evidence

[← Code area 3](#)

[Code area 4 →](#)



[Compressor found without any safety barrier.JPG](#)



* PDF generated at 11:28 (UTC) on 10 Nov 2025. [View this finding on the Sedex platform](#) for live updates and closure details.

ZAF601175337

Non-compliance

Due 2026-01-09

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

Based on documents review and management interview, it was noted that the validity of the existing elected safety committee will expire on 07 November 2025. As per legal requirements, the facility should initiate the necessary procedures to arrange the next formation 45 days prior to the expiration of the current committee (which has a validity of two years).

Area of non-compliance/non-conformance

Local law
Base code

Corrective and preventative actions

It is recommended that facility should take initiative to form the Safety Committee before expiration.

[← Code area 3](#)

[Code area 4 →](#)

Local law reference

The tenure of the Safety Committee shall be two (2) years from the date of the first meeting of the committee.

A new committee must be formed within 45 (forty-five) days prior to the expiration of the existing committee's term. The newly formed committee shall assume responsibilities immediately after the expiration of the previous committee's term.

* PDF generated at 11:28 (UTC) on 10 Nov 2025. [View this finding on the Sedex platform](#) for live updates and closure details.

ZAF601175345

Non-compliance

Due 2025-12-10

Code area

3 Working conditions are safe and hygienic

Status

Open*

Workplace requirement

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

Time given to resolve

30 days

Issue title

220 - Failure to comply with legal requirements for electrical safety e.g. inspections

Verification method

Desktop audit

Description

Based on document review and management interviews, it was noted that the facility did not conduct the required pressure vessel hydraulic test for 01 out of 01 compressor from the concerned authority.

Area of non-compliance/non-conformance

Local law
Base code

Corrective and preventative actions

It is recommended that facility should conduct pressure vessel hydraulic tests for the compressor.

Local law reference

Bangladesh Labour Law 2006, Section 63 (1) D (3): Fencing of machinery. – (1) In every establishment the following shall be securely fenced by the safeguards of substantial construction which shall be kept in position while the part of machinery required to be fenced are in mention or in use, namely-
D(iii) every dangerous part of any machinery.

[← Code area 3](#)

[Code area 4 →](#)

* PDF generated at 11:28 (UTC) on 10 Nov 2025. [View this finding on the Sedex platform](#) for live updates and closure details.

[← Code area 3](#)

[Code area 4 →](#)

Audit company:
TUV Rheinland (TUEV Rheinland)

Audit reference:
ZAA600164846

Start Date:
2025-10-26

End Date:
2025-10-27

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?	No
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 All floors and building were approved by the concerned authority. During audit no additional structure were found without legal permission.
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

[← Code area 3](#)

[Code area 4 →](#)

Does the site have a structural engineer evaluation? Yes

[← Code area 3](#)

[Code area 4 →](#)

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	Some Improvements Recommended
Monitor the effectiveness of procedures to meet policy and workplace requirements	Robust Management Systems

Management systems

Explanation for management systems grades

1) Policies & Procedures

Grade: Robust Management Systems

The facility has a zero-tolerance policy for child labor, which is strictly prohibited in all areas of employment. This policy is regularly reviewed and updated to reflect the latest legal standards. The facility takes proactive steps to ensure that no child labor is used directly or indirectly through its supply chain.

2) Resources

Grade: Robust Management Systems

The facility has dedicated resources to ensure that child labor is not used, including trained personnel who oversee recruitment and verify the age of all employees. External audits and third-party assessments are regularly conducted to ensure compliance across all departments and suppliers.

3) Communication & Training

Grade: Some Improvements Recommended

Employees are regularly educated on the facility's strict anti-child labor policy through onboarding sessions and annual training. Supervisors and HR teams are specifically trained to identify any potential violations, ensuring immediate corrective action if needed. However, the training needs some updates.

4) Monitoring

Grade: Robust Management Systems

Regular audits are conducted to ensure no child labor is present in the workplace or within the supply chain. The facility also uses third-party organizations to independently verify labor practices in the supply chain. Reports of suspected child labor are taken seriously and investigated immediately.

Summary of findings

Code area	Workplace requirement	Area of NC	Finding
			No findings

[← Code area 3](#)

[Code area 5 →](#)

Systems and evidence examined to validate this code section

Current Systems:

1. Company can help protect and respect the rights of workers, promote fair labor practices, and contribute to sustainable economic development.
 2. Workers file review and workers interview indicated that management or agent did not retain original identification papers of workers. Workers are freely recruited, and no original documents were kept by the facility which is verified during audit.
 3. Workers get appointment letter and aware of terms conditions which is confirmed in interview.
- All workers were found more than 18 years old in the facility.

Evidence examined:

- Social Compliance Management system manual & Social Policies
- Personal file & job responsibility of Compliance manager responsible for ETI code implementation.
- Legal documents e.g., licenses, permissions, certificates etc. Legal permission & licenses were found valid.
- Training on ETI base code/ Ethical code to workers on 7 October 2025, participants- 20.
- Training on ETI base code/ Ethical code to mid-level management on 9 October 2025, participants- 13.
- Training records and meeting minute's records.
- Commitment of suppliers
- Employees Handbook
- Terms and conditions of contract letter

4. Child labour shall not be used

Data points

Percentage of workers that are age 24 or younger	30%
Enter the legal age of employment	15
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	0.0%
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

[← Code area 4](#)

[Code area 5 →](#)

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	Some Improvements Recommended
Communicate and train employees and other workers, including managers and supervisors, on relevant policies and procedures	Some Improvements Recommended
Monitor the effectiveness of procedures to meet policy and workplace requirements	Some Improvements Recommended

Management systems

Explanation for management systems grades

1) Policies & Procedures

Grade: Robust Management Systems

The company has a clear policy in place ensuring that all employees are paid at least the minimum wage as per the government wage gazette. The policy is well-documented, reviewed annually, and strictly adhered to, ensuring compliance with local labor laws and wage regulations.

2) Resources

Grade: Some Improvements Recommended

The HR department is well-equipped with the necessary resources to ensure that all employees receive their wages on time and in full, in compliance with legal requirements. Payroll systems are regularly audited to ensure accuracy in wage payments and tax deductions. The company also provides adequate support to employees regarding payroll-related inquiries. However, the internal system, needs some improvements.

3) Communication & Training

Grade: Some Improvements Recommended

Employees are informed of their wage entitlements during the onboarding process, and regular communication is provided regarding any changes to government-mandated wage rates. Payroll-related training is offered to HR staff to ensure accurate processing and to address any wage-related concerns from workers. However, the effectiveness of the legal right training needs assessment.

4) Monitoring

Grade: Some Improvements Recommended

While the company ensures that the minimum wage as per the government wage gazette is paid, there is no evidence of the company providing a living wage that supports employees' basic needs and costs of living. Monitoring processes primarily focus on legal wage compliance but do not assess whether wages are sufficient for workers to maintain a decent standard of living. A thorough evaluation of wage sufficiency is needed to address these gaps.

Summary of findings

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

[← Code area 4](#)

[Code area 5.A →](#)

No findings

Systems and evidence examined to validate this code section

Current Systems:

1. The facility has calculated salary period as English calendar month.
2. The factory provides monthly wage through hand cash.
3. The factory does not deduct any illegal deduction from employees confirm through document reviewed and worker's interview.
4. No worker was found getting below from minimum wage. Facility minimum wage is BDT 12500.
5. An appointment letter is given to all workers where information about their wages and others information e.g., leave, overtime calculation, increment, etc.
6. Pay slip provides on time.
7. Eid bonus provided for 02 festival occasion (Eid-UI-Fitre and Eid-UI-Adha) 02 times.
8. Manager- HR and Compliance is responsible for compliance for implementing the local law and ETI base code.
9. Sample size followed by SMETA guidelines (27 people). All auditors are approved for this scheme audit.

10. Overtime wage:

- Legal minimum: Double (200%) of the basic wage rate.
- Actual at the Site: Double (200%) of the basic wage rate.
- OT hours calculation as per law= (Basic salary/208 X2 X OT hr)

11. Exception for 6 months:

Government has exempted section 100 and 102 of the Bangladesh Labour Law-2006 publishing a Gazette notification on November 04, 2025, as per section 324 of the Bangladesh Labour Law-2006 for 06 months relaxing daily overtime hours for BGMEA member factories. In accordance with the Clause/Condition No.-3 of this notification, no worker shall work more than 04 hours of overtime in any day without his/her consent. This exemption has been extended in every 6 months and latest extension, it is effective from November 01, 2025 to April 30, 2026.

Evidence examined:

27 samples from 1st September 2025 to 30th September 2025 (Current month), 27 samples from 1st March 2025 to 31st March 2025 (Peak month), 27 samples from 1st December 2024 to 31st December 2024 (Off-peak month).

- Pay slips.
- Production record.

5. Legal wages are paid

Data points

What is the basic wage paid to workers?	Wages are based on job skills and experience The legal minimum wage
Does the site use digital payment methods (i.e. money paid directly into a bank account) to pay workers?	Does not use digital payments (give details) 100% cash to all workers.
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
--	----------------

Summary information

Is legal wage/legally recognised CBAs data available for any of these options?	Not available
--	---------------

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	Non applicable

[← Code area 5](#)

[Code area 5.A →](#)

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	2.0
	Max hours per week	12.0
	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	36.0
Minimum legal wage	Min per hour	Non applicable
	Min per day	Non applicable
	Min per week	Non applicable
	Min per month	12500.0
Actual minimum wage	Actual per hour	Non applicable
	Actual per day	Non applicable
	Actual per week	Non applicable
	Actual per month	12500.0
Minimum legal overtime wage	Min per hour	Non applicable
	Min per day	Non applicable
	Min per week	Non applicable
	Min per month	Non applicable

[← Code area 5](#)

[Code area 5.A →](#)

Actual minimum overtime wage	Actual per hour	Non applicable
	Actual per day	Non applicable
	Actual per week	Non applicable
	Actual per month	Non applicable

Wage analysis

Number of workers' records checked	81
Provide the date and details of the records	<p>27 samples from 1st September 2025 to 31st September 2025 (Current month)</p> <p>27 samples from 1st March 2025 to 31st March 2025 (Peak month)</p> <p>27 samples from 1st December 2024 to 31st December 2024 (Off-peak month)</p>
Are there different legal minimum/legally recognised CBAs wage grades?	<p>Yes</p> <p>The minimum wage Gazette Notification for Garments Gazette December 18, 2023, through verification of wage sheet, time record, employment letter and management and workers interview it is noted that, the facility is providing Minimum Wage to the employees as per latest circular of 'Minimum Wages' which was finally published on December 18, 2023.</p> <p>Below list is the Minimum Wage for grade wise as per Minimum Wage Gazette:</p> <p>Schedule A (Production Workers such as cutter man, sewing machine operator, iron man, packer, assistant, etc.)</p> <p>Gross Salary BDT. 15035 per month for Grade 1 (highest) workers</p> <p>Gross Salary BDT. 14273 per month for Grade 2 workers</p> <p>Gross Salary BDT. 13550 per month for Grade 3 workers</p> <p>Gross Salary BDT. 12500 per month for Grade 4 workers</p> <p>Gross Salary BDT. 9875 per month for Probationary workers</p> <p>Schedule B (Non-production Service Providers such as, cleaner, security guard, loader, peon, etc.)</p> <p>Gross Salary BDT. 18800 per month for Grade 1 workers</p> <p>Gross Salary BDT. 15950 per month for Grade 2 workers</p> <p>Gross Salary BDT. 15200 per month for Grade 3 workers</p> <p>Gross Salary BDT. 12800 per month for Grade 4 workers</p> <p>Gross Salary BDT. 9950 per month for Probationary workers.</p>

For the lowest paid workers, are wages paid for standard/contracted hours (excluding overtime) below or above the legal minimum/ legally recognised CBAs?	Meets legal minimum
Indicate the breakdown of workforce per earnings	0.0% of workforce earn under minimum wage 30% of workforce earns minimum wage 70% of workforce earns above minimum wage
Are there any bonus schemes used?	Yes Facility has system in place to provide festival bonus to their entire eligible worker 2 times early as prescribed by local law.
Were accurate records shown at the first request?	Yes
Were any inconsistencies found?	No

5.A. Living wages are paid

Summary of findings

Code area	Workplace requirement	Area of NC	Finding
5.A. Living wages are paid	5.A.A Review workers' total pay including ben...	Base code	NC ZAF601175344

Systems and evidence examined to validate this code section

Current Systems:

1. Facility has a minimum wage policy and structure as per law. As per minimum wage gazette-2023, facility paid the wages as per grade and skill. Facility has a procedure on living wages and has conducted survey to identify the actual living wages for this area. Workers are getting more than minimum wages but less than the expected living wage. Facility is in process to proper action plan for implementing living wage.

Evidence examined:

- Payroll and Payment records of 27 samples from 1st September 2025 to 30th September 2025 (Current month), 27 samples from 1st March 2025 to 31st March 2025 (Peak month), 27 samples from 1st December 2024 to 31st December 2024 (Off-peak month)
- Pay slips
- Living wage data.
- Salary sheet
- Management interview
- Worker's interview

Findings: non-compliances

ZAF601175344

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

904 - CAR: A living wage gap analysis has been completed but it is missing key elements

Area of non-compliance/non-conformance

Base code

Description

Through documents review and management interview it was noted that the facility management has conducted a surveys for calculating living wage for this region but did not take proper step for calculating standard food basket, market surveys, housing cost etc. As a result living wage was not calculated properly to identify the potential gap between present local minimum wage and living wage and no action plan is in place to fill the gaps.

Corrective and preventative actions

It is recommended that facility management should calculate living wages properly.

* PDF generated at 11:28 (UTC) on 10 Nov 2025. [View this finding on the Sedex platform](#) for live updates and closure details.

[← Code area 5.A](#)

[Code area 6 →](#)

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

Management systems

Explanation for management systems grades

1) Policies & Procedures

Grade: Robust Management Systems

The facility has a robust policy that ensures employees' working hours comply with legal regulations, including maximum working hours, overtime limits, and mandatory rest periods. The policy is reviewed annually and is designed to prevent excessive working hours.

2) Resources

Grade: Robust Management Systems

Adequate resources are in place to monitor and manage working hours, including time-tracking systems and HR personnel dedicated to ensuring compliance. There is a clear procedure for approving overtime work, and all employees are aware of their rights regarding working hours.

3) Communication & Training

Grade: Robust Management Systems

Employees are trained on the facility's working hours policy during onboarding and annually thereafter. This training includes guidelines for acceptable working hours, overtime, and rest periods. Supervisors are also trained to manage working hours effectively and ensure that workers are not overburdened.

4) Monitoring

Grade: Robust Management Systems

The facility closely monitors working hours through automated timekeeping systems and regular audits. Any violations of working hours policies are addressed immediately. The facility also has a clear mechanism in place for employees to report excessive working hours confidentially.

Summary of findings

Code area	Workplace requirement	Area of NC	Finding
			No findings

Systems and evidence examined to validate this code section

Current Systems:

1. The facility has developed working hour policy as per law. Facility has a management system comprising of processes, policies, procedures, and tools for continuous improvement in its activities. Facility has developed and maintain relevant policies and procedures to ensure this code are met.
2. Facility has a management system to monitor workers working hour as per law. Facility has formed a team and appointed responsible payroll officer who is responsible for compliance with the code. He has necessary skills to manage this code.
3. Facility provides regular training to all employees including payroll personnel regarding the current working hour system. Facility ensured standard working hour as per law. Working hour is approved by the concerned authority.
4. Facility management ensured rest break as per local law. Worker's consent is taken before doing overtime.
5. For time keeping system, manual time keeping system was used to record the time in/out for workers. Overtime is voluntary for all workers.
6. The general working hour is 08:00 AM to 05:00 PM with 1 hour lunch break from 01:00 PM to 02:00 PM. Only Knitting section has 2 shifts, Shift-1: 8:00 AM to 5:00 PM and Shift-2: 8:00 PM to 5:00 AM with 1 hour break. Security has 3 shifts (Shift 1: 06:00 to 14:00, Shift 2: 14:00 to 22:00, Shift 3: 22:00 to 06:00).
7. Factory provides weekly holiday on Friday as declared for all sections.
8. No unauthorized deduction made by the management.
9. Any worker can join in pray time

Evidence examined:

- Company Policy on working hour
- Time cards of sampled workers.
- Attendance register
- Complain register
- Production records
- Workers' pay slip
- Production capacity plan
- Payroll and Payment records of 27 samples from 1st September 2025 to 30th September 2025 (Current month), 27 samples from 1st March 2025 to 31st March 2025(Peak month), 27 samples from 1st December 2024 to 31st December 2024 (Off-peak month).

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?	N/A
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?	54.0
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

[← Code area 6](#)

[Code area 7 →](#)

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

Management systems

Explanation for management systems grades

1) Policies & Procedures

Grade: Robust Management Systems

The facility has a strong, non-discrimination policy that ensures all employees are treated equally, regardless of their race, gender, age, religion, disability, or other personal characteristics. This policy is in full compliance with local and international anti-discrimination laws. It is regularly reviewed and clearly communicated to all employees, ensuring its practical application in every aspect of employment, from hiring to promotion.

2) Resources

Grade: Robust Management Systems

The facility has dedicated resources, including a Diversity and Inclusion Officer, to ensure the non-discrimination policy is implemented effectively. Regular assessments are conducted to identify any potential areas of discrimination in the workplace. Furthermore, HR is fully equipped to manage complaints of discrimination and ensure fair treatment for all workers.

3) Communication & Training

Grade: Some Improvements Recommended

Extensive training on the facility's non-discrimination policy is provided during onboarding and refreshed annually for all employees. Supervisors and HR staff receive additional training on how to handle discrimination complaints and ensure a supportive and inclusive environment. The policy is communicated through multiple channels, ensuring it is widely understood and respected. However, the trainings need some updates.

4) Monitoring

Grade: Robust Management Systems

Regular internal audits are carried out to ensure compliance with the non-discrimination policy, and employees are surveyed to gauge the inclusiveness of the workplace. There is a clear, confidential reporting mechanism for employees to report incidents of discrimination. Any cases of discrimination are investigated thoroughly, with corrective actions taken immediately.

Summary of findings

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

[← Code area 6](#)

[Code area 8 →](#)

No findings

**Systems and evidence examined to
validate this code section**

Current Systems:

1. There was no evidence of discrimination in employment, promotion, compensation, welfare, dismissal, and retirement found.
2. Complaint / Suggestion boxes were installed at different places for identification of any kind of discrimination.
3. Facility provides orientation training which also includes anti-discrimination.
4. The factory provides the same pay to male and female employees.
5. No complaint or records found for pregnancy test.

Evidence examined:

- Appointment Letter
- Confirmation Letter
- Policy on Discrimination
- Complaint register
- Personal file
- Termination records
- Payrolls
- Training records

7. No discrimination is practiced

Data points

Percentage of women workers in skilled or technical roles (e.g. where specific qualifications are needed, such as engineer/laboratory analyst)? 0%

Representation of women in managerial roles (ratio of women workers to women managers) 0%

Representation of women in supervisory roles (ratio of women workers to women supervisors) 0%

Three most common nationalities in managerial and supervisory roles 100% 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	Some Improvements Recommended

Management systems

Explanation for management systems grades

1) Policies & Procedures

Grade: Robust Management Systems

The facility has a clear policy ensuring that regular, permanent employment is provided to workers as per legal requirements. All employees are offered permanent contracts as soon as they meet the criteria for regular employment, and there is a transparent process for transitioning from temporary to permanent status. The policy is reviewed annually to ensure it remains compliant with local and international labor laws.

2) Resources

Grade: Robust Management Systems

The HR department is well-equipped to manage regular employment processes, including the transition from temporary to permanent employment. There is a system in place to track employee contracts and ensure that all workers are provided with regular employment in a timely manner.

3) Communication & Training

Grade: Robust Management Systems

Employees are clearly informed of their rights regarding regular employment during their onboarding process and are regularly updated on their employment status. Training is provided to ensure all workers understand the terms of their contracts and how to request a transition to permanent employment if they are eligible.

4) Monitoring

Grade: Some Improvements Recommended

The facility conducts regular internal audits to ensure all employees are provided with regular employment as per the facility policy. There is also a system in place to track employees' status and ensure that temporary workers are considered for permanent positions as soon as they meet the required criteria. But the internal system needs some monitoring.

Summary of findings

Code area	Workplace requirement	Area of NC	Finding
			No findings

[← Code area 7](#)

[Code area 8.A →](#)

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

1. All permanent workers were recruited by the factory directly.
2. The company provides regular employments and does not practice the way of homeworkers.
3. Based on document review it was found that in workers file, both parties (workers and company) signed the employment contract, and each party keeps copy of it.
4. Employment terms were found written in Bangla (Native Language) which is understood by each respective employee. In addition, Employees in the factory are classified as per the local law.
5. Facility maintains nominee form in the employees' personal files to the person who can receive payment and other dues in the absence of employee
6. At the time of induction an employment contract is signed by both of parties which state all term & conditions of employment. The employees' files contain objective evidence relating to the age of the workers, the same were checked and it was verified that people had more than required age when they were employed.
7. Orientation training was provided on regular basis. Last training was record on 03 September 2025.

Evidence examined:

- Appointment Letter
- Confirmation Letter
- Personal files
- Payroll records

8. Regular employment is provided

Data points

Percentage of workers that are permanently or temporarily employed	100.0%
Percentage of workers that have been engaged via irregular, sub-contracted or non-employment models of labour, rather than permanent or temporary contracts of employment	0.0%
Percentage of workers employed as apprentices, trainees or interns	0.0%

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

Management systems

Develop and maintain relevant policies and procedures to ensure workplace requirements are met 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

Management systems

Explanation for management systems grades

1) Policies & Procedures

Grade: Robust Management Systems

The facility has a clear policy on responsible sub-contracting, ensuring that all subcontracted workers and homeworkers are treated fairly and in accordance with labor laws. The policy includes strict criteria for selecting subcontractors and guidelines for monitoring their compliance with health, safety, and labor standards. However, the facility is not working with any subcontractors.

2) Resources

Grade: Robust Management Systems

The facility has a clear policy on responsible sub-contracting, ensuring that all subcontracted workers and homeworkers are treated fairly and in accordance with labor laws. However, the facility is not working with any subcontractors.

4) Communication & Training

Grade: Robust Management Systems

The facility has a clear policy on responsible sub-contracting, ensuring that all subcontracted workers and homeworkers are treated fairly and in accordance with labor laws. However, the facility is not working with any subcontractors.

4) Monitoring

Grade: Robust Management Systems

The facility has a clear policy on responsible sub-contracting, ensuring that all subcontracted workers and homeworkers are treated fairly and in accordance with labor laws. However, the facility is not working with any subcontractors.

Summary of findings

Code area	Workplace requirement	Area of NC	Finding
			No findings

Systems and evidence examined to validate this code section

Current Systems:

The facility was not involved in any subcontracting or homeworkers. As per their production process, subcontracting or homeworkers are not required. However, they have policy on subcontracting if they use it in future.

Evidence examined:

- Site tour (Calculation on total production and estimated capacity)
 - Materials in/out records
 - Management interview
 - Worker interview
 - Supplier selection policy
-

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
The supplier did not buy any products or services from suppliers that use homeworkers. The facility conducts yearly internal audit to their enlisted suppliers.

Sub-contracting

Are there any concerns about unrecorded work or undeclared sub-contracting on site, giving considerations to the workers' capacity? No
N/A

[← Code area 8.A](#)

[Code area 9 →](#)

Are any sub-contractors used?

No

[← Code area 8.A](#)

[Code area 9 →](#)

Audit company:
TUV Rheinland (TUEV Rheinland)

Audit reference:
ZAA600164846

Start Date:
2025-10-26

End Date:
2025-10-27

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 Some Improvements Recommended

Monitor the effectiveness of procedures to meet policy and workplace requirements Robust Management Systems

Management systems

Explanation for management systems grades

1) Policies & Procedures

Grade: Robust Management Systems

The facility has a strong policy that prohibits any form of harsh or inhumane treatment, including physical punishment, harassment, or abuse. This policy is clearly communicated to all employees and is fully aligned with international human rights standards. It is reviewed regularly to ensure that it addresses any emerging issues or risks.

2) Resources

Grade: Robust Management Systems

Sufficient resources are allocated to ensuring that no inhumane treatment occurs within the facility. HR teams are trained to handle complaints of harassment or mistreatment, and dedicated personnel are in place to investigate and resolve any issues promptly. The facility also has a zero-tolerance approach to any form of abusive behavior.

3) Communication & Training

Grade: Some Improvements Recommended

All employees are trained on the facility's anti-harassment and anti-abuse policies during onboarding and on an annual basis. Supervisors are given additional training on identifying and addressing potential instances of inhumane treatment. The facility promotes an open-door policy where workers can report any incidents of mistreatment without fear of retaliation. However, the verbal grievance register needs some updates, like adding a column to write the date that the grievance was solved.

4) Monitoring

Grade: Robust Management Systems

The facility conducts regular internal surveys and audits to ensure that no inhumane treatment occurs within its workforce. Any complaints are immediately investigated, and corrective actions are taken. The facility also uses external auditors to verify that treatment practices align with ethical standards.

Summary of findings

Code area	Workplace requirement	Area of NC	Finding
No findings			

[← Code area 8.A](#)

[Code area 10.A →](#)

Systems and evidence examined to validate this code section

Current Systems:

1. Facility follows the written policy on no harsh or inhumane treatment.
2. According to factory policy on physical abuse or discipline, the threat of physical abuse, sexual or other harassment and verbal abuse or other forms of intimidation are prohibited.
3. Through the factory management and workers' interview, it was noted that no physical abuse or discipline happened in the factory. No complain record was found regarding physical abuse or harassment.
4. All workers are comfort with their management behavior, and the factory management treated them with respect.
5. No pressure from security guards to hold the workers once they get authorized leave from management.

Evidence examined:

- Disciplinary and grievance procedure
- Complaint records
- Employment Contracts
- Disciplinary Policy
- Personal files
- Training Record.

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')?	<p>Yes, there is a formal grievance process</p> <p>The grievance process is available to all workers</p> <p>The grievance process is available to members of the local community</p>
What type of grievance mechanism(s) are available?	<p>Different types of grievance lodging channel is available in the facility (Complaint box, hot line number, through PC member, e-mail number, open door policy etc.) where anybody can report to management about any act properly or corruptly, or to accept or give a bribe or gift and health & safety issues. Workers are aware about this channel. Facility conducts training to workers about grievance mechanism system.</p>
Number of grievances raised in the last 12 months	10
Number of grievances resolved in the last 12 months	10

10.A. Environment 2-Pillar

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 Robust Management Systems

Monitor the effectiveness of procedures to meet policy and workplace requirements Some Improvements Recommended

Management systems

Explanation for management systems grades

1) Policies & Procedures

Grade: Some Improvements Recommended

The facility has an environmental policy that addresses sustainability and environmental protection. However, it needs some improvement in regard to guidelines on waste management, energy use, and emissions reductions, ensuring that operations are environmentally responsible. However, the policy needs some updates.

2) Resources

Grade: Robust Management Systems

Adequate resources are dedicated to environmental management, including a team of sustainability officers and environmental experts. The facility invests in eco-friendly technologies and practices to reduce its environmental impact.

3) Communication & Training

Grade: Robust Management Systems

Employees are regularly trained on the facility's environmental policies and are encouraged to adopt eco-friendly practices in their daily work. There is also regular communication on environmental goals and initiatives, ensuring that all employees understand their role in supporting sustainability efforts.

4) Monitoring:

Grade: Some Improvements Recommended

The facility monitors its environmental performance through regular audits and key performance indicators (KPIs). Any deviations from environmental standards are addressed promptly, and the facility takes proactive steps to reduce water consumption. Workers are encouraged to report any environmental concerns through a dedicated channel. However, the facility needs to get a valid ECC certificate.

Summary of findings

Code area	Workplace requirement	Area of NC	Finding
10.A. Environment 2-Pillar	10.A.B Comply with relevant local, regional a...	Local law Base code	NC ZAF601175339

[← Code area 9](#)

[Code area 10.B →](#)

**Systems and evidence examined to
validate this code section**

Current Systems:

1. Facility has developed environmental policy and procedure.
2. Facility has system in place to monitor environmental parameters (e.g. thermostat).
3. Facility has responsible person to monitor and update environmental related issues.

Evidence examined:

- Documents review (i.e. License/permit with validity date Training with latest date)
- Internal audit with date, Policy with revision number, procedure)
- Environmental policy
- Energy bills
- Water bill
- Management interview, and workers interview and plant tour.

Findings: non-compliances

ZAF601175339

Non-compliance

Due 2025-12-10

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

Verification method

Desktop audit

Issue title

598 - The site does not have all legally required permits for use and/or disposal of resources (e.g. energy, water, air emissions, waste etc.)

Area of non-compliance/non-conformance

Local law

Description

Based on documents review and management interview it was noted that, Environmental Clearance Certificate of the factory found expired from 09 July 2025. However, facility has applied to concerned authority for renewal on 16 July 2025.

Base code

Corrective and preventative actions

It is recommended that the factory should obtain renewed environmental clearance from concern authority.

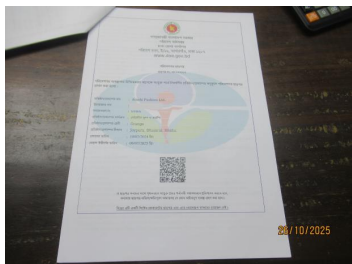
Local law reference

Environmental Conservation Rules 2023, Rule 20, (3): The validity of site clearance and environmental clearance for orange & red class industrial establishments or projects shall be 1 (one) year from the date of issue, which shall be renewable at intervals of 1 (one) year.

Evidence

[← Code area 10.A](#)

[Code area 10.B →](#)



[ECC found expired.JPG](#)



* PDF generated at 11:28 (UTC) on 10 Nov 2025. [View this finding on the Sedex platform](#) for live updates and closure details.

[← Code area 10.A](#)

[Code area 10.B →](#)

Audit company:
TUV Rheinland (TUEV Rheinland)

Audit reference:
ZAA600164846

Start Date:
2025-10-26

End Date:
2025-10-27

10.A. Environment 2–Pillar

Data points

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

No

Does the site have any valid environmental or energy management certificates?

None

Are there any other sustainability certifications present (e.g. Forest Stewardship Council (FSC), Marine Stewardship Council (MSC))?

No

Has the site implemented or made plans to implement any adaptive measures to protect workers from the impact of climate change?

No

[← Code area 10.A](#)

[Code area 10.B →](#)

10.B. Environment 4-Pillar

Summary of findings

Code area	Workplace requirement	Area of NC	Finding
10.B. Environment 4-Pillar	10.B.I Monitor and mitigate the site's impact...	Base code	NC ZAF601175341

Systems and evidence examined to validate this code section

Current Systems:

1. Facility has an environmental policy which cover the all the process and comply the legal requirement. Factory surrounding environment found acceptable.
2. Facility has set a long-term target to reduce resource usage.
3. Facility has proper measuring system to record resource usage & effluent generation.
4. Environment Compliances representative is responsible person to look after environmental issues of the facility.

Evidence examined:

- Documents review (i.e. License/permit with validity date, Training records, last training date)
- Internal audit with date, Policy with revision number, procedure
- Environmental policy
- Energy bills
- Water bills
- Wastage record evidence
- Management interview, and workers interview and plant tour

Findings: non-compliances

ZAF601175341

Non-compliance

Due 2026-01-09

Code area

10.B Environment 4-Pillar

Status

Open*

Workplace requirement

10.B.I Monitor and mitigate the site's impacts on biodiversity.

Time given to resolve

60 days

Issue title

652 - Site does not have a biodiversity policy in place contrary to law

Verification method

Desktop audit

Description

Based on the review of documents and discussions with management, it was observed that the facility has not established or implemented a biodiversity policy.

Area of non-compliance/non-conformance

Base code

Corrective and preventative actions

It is recommended that facility should develop a biodiversity policy.

* PDF generated at 11:28 (UTC) on 10 Nov 2025. [View this finding on the Sedex platform](#) for live updates and closure details.

[← Code area 10.B](#)

[Code area 10.C →](#)

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?	Sustainable material sourcing
Is there a system for managing client's requirements and legislation in the destination countries regarding environmental and chemical issues?	Not Applicable
Does the site have reduction targets in place to manage climate related risks?	Yes, to reduce scope 1 greenhouse gases (GHGs)
Are any of these science-based targets?	No, but we anticipate setting one in the next two years
Does the site have reduction targets in place for environmental aspects (e.g. water consumption and discharge, waste, energy and green-house gas emissions: (Scope 1, 2 & 3))?	No
Has the site checked that any sub-contracting agencies or business partners operating on the premises have the appropriate permits and licences and are conducting business in line with environmental expectations of the facility?	Not Applicable

Usage/discharge analysis

[← Code area 10.B](#)

[Code area 10.C →](#)

	Last full calendar year (2024)	Previous full calendar year (2023)
Total electricity consumption from non-renewable sources (kWh)	43,689	889,737
Total electricity consumption from renewable sources (kWh)	Data not available	Data not available
Sources of renewable energy used	None	None
Types of renewable energy used	Data not available	Data not available
Total natural gas consumption (kWh)	Data not available	Data not available
Usage of other purchased fuels	Diesel	Diesel
Has the site completed any carbon footprint analysis?	No	No
Water sources	Ground water	Ground water
Does the site use mercury or mercury compounds?	No	No
Water volume used (m3)	1,816	Data not available
Water discharged	ETP	ETP
Water volume discharged (m3)	480	Data not available
Water volume recycled (m3)	0	Data not available
Total waste produced (mt)	3	Data not available

[← Code area 10.B](#)

[Code area 10.C →](#)

Total hazardous waste produced (mt)	0	Data not available
Waste to recycling (mt)	0	0
Waste to landfill (mt)	0	Data not available
Waste to other (mt)	0	Data not available
Total product produced (mt)	1,095	Data not available

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	Some Improvements Recommended
Monitor the effectiveness of procedures to meet policy and workplace requirements	Robust Management Systems

[← Code area 10.B](#)

Management systems

Explanation for management systems grades

1) Policies & Procedures

Grade: Robust Management Systems

The facility has a comprehensive code of ethics that covers all aspects of business conduct, including integrity, transparency, and anti-corruption. The code is reviewed regularly to ensure it remains aligned with the highest ethical standards. The policy also includes clear procedures for reporting unethical behavior and addresses conflicts of interest.

2) Resources

Grade: Robust Management Systems

The facility has sufficient resources to promote and enforce business ethics, including a dedicated ethics committee and compliance officers. These teams ensure that ethical standards are upheld across all areas of the business, and regular training is provided to employees on ethical conduct.

3) Communication & Training

Grade: Some Improvements Recommended

All employees are trained on the facility's business ethics policy during onboarding and receive annual refresher courses. Supervisors and managers receive additional training on how to promote ethical behavior within their teams and address any ethical concerns that arise. However, the trainings need some updates.

4) Monitoring

Grade: Robust Management Systems

The facility regularly monitors business ethics through employee surveys, and whistleblowing mechanisms. Any allegations of unethical behavior are thoroughly investigated, and corrective actions are taken as needed. The facility also works with external organizations to ensure that its ethical practices meet the highest standards.

Summary of findings

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

No findings

[← Code area 10.B](#)

**Systems and evidence examined to
validate this code section**

Current Systems:

- The facility has a policy and procedure regarding Business ethics (Anti-corruption and bribery), which is yearly reviewed by the top management.
- The facility has also appointed a designated person for implementing and ensure the policy and procedure are followed.
- The facility has internally monitored their enlisted suppliers yearly based in social & ethical, technical and quality.

Evidence examined:

- Policies
- Procedures
- Staff training records
- Internal audit reports
- Case study

[← Code area 10.B](#)

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

None

[← Code area 10.C](#)

Attachments



[SMETA_Photo_Report_Atashi Fashion Limited.pdf](#)



[Document_Signed CAP.pdf](#)

