
Auditee :	Sagacious Fashions Ltd.
Audit Date From :	22/12/2019
Audit Date To :	22/12/2019
Expiry Date of the Audit :	Please refer to the producer profile in the amfori BSCI platform
Auditing Company :	UL-RS
Auditor's Name(s) :	Zahidun Nabi(Lead), Tofael Hossain
Auditing Branch (if applicable) :	



This is an extract of the on line Audit Report. The complete report is available in the amfori BSCI Platform.
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Rating Definitions



Rating	A combination of ratings per Performance Area where:	Consequence																																							
A Very Good	<ul style="list-style-type: none">Minimum 7 Performance Areas rated ANo Performance Areas rated C, D or E These are three examples: <table><tr><td>A</td><td>A</td><td>A</td><td>A</td><td>A</td><td>A</td><td>A</td><td>A</td><td>A</td><td>A</td><td>A</td><td>A</td><td>A</td></tr><tr><td>A</td><td>A</td><td>A</td><td>A</td><td>A</td><td>A</td><td>A</td><td>A</td><td>A</td><td>A</td><td>B</td><td>B</td><td>B</td></tr><tr><td>A</td><td>A</td><td>A</td><td>A</td><td>A</td><td>A</td><td>A</td><td>B</td><td>B</td><td>B</td><td>B</td><td>B</td><td>B</td></tr></table>	A	A	A	A	A	A	A	A	A	A	A	A	A	A	A	A	A	A	A	A	A	A	A	B	B	B	A	A	A	A	A	A	A	B	B	B	B	B	B	The auditee has the level of maturity to maintain its improvement process without the need for a follow-up audit.
A	A	A	A	A	A	A	A	A	A	A	A	A																													
A	A	A	A	A	A	A	A	A	A	B	B	B																													
A	A	A	A	A	A	A	B	B	B	B	B	B																													
B Good	<ul style="list-style-type: none">Maximum 3 Performance Areas rated CNo Performance Areas rated D or E These are three examples: <table><tr><td>A</td><td>A</td><td>A</td><td>A</td><td>A</td><td>A</td><td>B</td><td>B</td><td>B</td><td>B</td><td>B</td><td>B</td><td>B</td></tr><tr><td>A</td><td>A</td><td>A</td><td>A</td><td>A</td><td>B</td><td>B</td><td>B</td><td>B</td><td>B</td><td>B</td><td>B</td><td>C</td></tr><tr><td>B</td><td>B</td><td>B</td><td>B</td><td>B</td><td>B</td><td>B</td><td>B</td><td>B</td><td>B</td><td>C</td><td>C</td><td>C</td></tr></table>	A	A	A	A	A	A	B	B	B	B	B	B	B	A	A	A	A	A	B	B	B	B	B	B	B	C	B	B	B	B	B	B	B	B	B	B	C	C	C	The auditee has the level of maturity to maintain its improvement process without the need for a follow-up audit.
A	A	A	A	A	A	B	B	B	B	B	B	B																													
A	A	A	A	A	B	B	B	B	B	B	B	C																													
B	B	B	B	B	B	B	B	B	B	C	C	C																													
C Acceptable	<ul style="list-style-type: none">Maximum 2 Performance Areas rated DNo Performance Areas rated E These are three examples: <table><tr><td>A</td><td>A</td><td>A</td><td>A</td><td>A</td><td>A</td><td>A</td><td>A</td><td>A</td><td>C</td><td>C</td><td>C</td><td>C</td></tr><tr><td>A</td><td>A</td><td>A</td><td>A</td><td>A</td><td>B</td><td>B</td><td>B</td><td>B</td><td>C</td><td>C</td><td>C</td><td>D</td></tr><tr><td>C</td><td>C</td><td>C</td><td>C</td><td>C</td><td>C</td><td>C</td><td>C</td><td>C</td><td>C</td><td>C</td><td>D</td><td>D</td></tr></table>	A	A	A	A	A	A	A	A	A	C	C	C	C	A	A	A	A	A	B	B	B	B	C	C	C	D	C	C	C	C	C	C	C	C	C	C	C	D	D	The auditee needs follow up to support its progress. Following the completion of the audit, the auditee develops a Remediation Plan within 60 days.
A	A	A	A	A	A	A	A	A	C	C	C	C																													
A	A	A	A	A	B	B	B	B	C	C	C	D																													
C	C	C	C	C	C	C	C	C	C	C	D	D																													
D Insufficient	<ul style="list-style-type: none">Maximum 6 Performance Areas rated E These are three examples: <table><tr><td>A</td><td>A</td><td>A</td><td>A</td><td>A</td><td>A</td><td>A</td><td>A</td><td>A</td><td>A</td><td>D</td><td>D</td><td>D</td></tr><tr><td>A</td><td>A</td><td>A</td><td>B</td><td>B</td><td>B</td><td>C</td><td>C</td><td>C</td><td>D</td><td>D</td><td>D</td><td>E</td></tr><tr><td>D</td><td>D</td><td>D</td><td>D</td><td>D</td><td>D</td><td>D</td><td>D</td><td>E</td><td>E</td><td>E</td><td>E</td><td>E</td></tr></table>	A	A	A	A	A	A	A	A	A	A	D	D	D	A	A	A	B	B	B	C	C	C	D	D	D	E	D	D	D	D	D	D	D	D	E	E	E	E	E	The auditee needs follow up to support its progress. Following the completion of the audit, the auditee develops a Remediation Plan within 60 days.
A	A	A	A	A	A	A	A	A	A	D	D	D																													
A	A	A	B	B	B	C	C	C	D	D	D	E																													
D	D	D	D	D	D	D	D	E	E	E	E	E																													
E Unacceptable	<ul style="list-style-type: none">Minimum 7 Performance Areas rated E These are three examples: <table><tr><td>A</td><td>A</td><td>A</td><td>A</td><td>A</td><td>A</td><td>E</td><td>E</td><td>E</td><td>E</td><td>E</td><td>E</td><td>E</td></tr><tr><td>A</td><td>A</td><td>B</td><td>B</td><td>C</td><td>D</td><td>E</td><td>E</td><td>E</td><td>E</td><td>E</td><td>E</td><td>E</td></tr><tr><td>E</td><td>E</td><td>E</td><td>E</td><td>E</td><td>E</td><td>E</td><td>E</td><td>E</td><td>E</td><td>E</td><td>E</td><td>E</td></tr></table>	A	A	A	A	A	A	E	E	E	E	E	E	E	A	A	B	B	C	D	E	E	E	E	E	E	E	E	E	E	E	E	E	E	E	E	E	E	E	E	amfori BSCI Participants shall closely oversee the auditee's progress as the producer may represent a higher risk than other business partners.
A	A	A	A	A	A	E	E	E	E	E	E	E																													
A	A	B	B	C	D	E	E	E	E	E	E	E																													
E	E	E	E	E	E	E	E	E	E	E	E	E																													
Zero Tolerance	A Zero Tolerance Issue was identified (see amfori BSCI System Manual Part V – Annex 5: amfori BSCI Zero Tolerance Protocol)	Immediate actions are required. The amfori BSCI Zero Tolerance Protocol is to be followed.																																							

Main Auditee Information

Name of producer :	Sagacious Fashions Ltd.		
DBID number :	381224		
Audit ID :	171270		
Address :	74/1, Degerchala Main Road, National University, Gazipur Sadar, Gazipur Gazipur Sadar		
Province :	Dhaka	Country :	Bangladesh
Management Representative :	Md. Nuruzzaman		
Contact person:	Mohammad Nuruzzaman	Sector :	Non-Food
Industry Type :	Textiles, clothing, leather	Product group :	Apparel
Product Type :	Apparel		

Audit Details


Audit Range :	<input type="checkbox"/> Full Audit	<input checked="" type="checkbox"/> Follow-up Audit
Audit Scope :	<input checked="" type="checkbox"/> Main Auditee	<input type="checkbox"/> Main Auditee & Farms
Audit Environment :	<input checked="" type="checkbox"/> Industrial	<input type="checkbox"/> Agricultural <input type="checkbox"/> Small Producer
Audit Announcement :	<input checked="" type="checkbox"/> Fully-Announced	<input type="checkbox"/> Fully-Unannounced <input type="checkbox"/> Semi-Announced
Random Unannounced Check (RUC) :	No	
Audit extent (if applicable) :	Limited extent (follow-up on a few Performance Areas only)	
Audit interferences or contingencies (if applicable) :	none	
Overall rating :	A	
Need of follow-up :		If YES, by :

Rating per Performance Area (PA)

PA 1	PA 2	PA 3	PA 4	PA 5	PA 6	PA 7	PA 8	PA 9	PA 10	PA 11	PA 12	PA 13
B	A	A	A	A	A	A	A	A	A	A	A	A

Executive summary of audit report

Follow up audit for the factory Sagacious Fashions Ltd was conducted on December 22, 2019 on announced basis. This audit is 2 man days by 2 auditors in one day; 1.5 is field and 0.5 is report writing days allocated. 2 Auditors reached at the facility around 9.00 am and conduct an opening meeting with management and workers association members-

Md. Asgor Ali (Labu)- Director
 Md. Dulan Shaikh- Manager (Admin)
 Md. Nuruzzaman- Assistant Manager (HR & Compliance)
 Md. Sabuj Akon- Vice President PC
 Md. Mamun Hossain- Senior Mechanic
 Auditor: Zahidun Nabi RA 21702554 (Lead auditor)
 Tofael Hossain ASCA 21702701 (Team auditor)

The audit process was describe to the management which includes health and safety walkthrough, document review including remediation plan review and workers interview. Audit plan is shared in advance during scheduling process and again shared in the opening meeting. Management permit all the audit process including taking of photograph. UL statement of integrity is also signed by the management.

This is second follow up audit after initial audit conducted in September 30, 2018. First follow up audit was done in September 22, 2019 and this is their second follow up audit. Management informed as they completed all the issues, their RSP holder initiate this audit to show the commitment towards amfori Code according to their internal organization policy. As per request, audit scope was to check PA1,2,5,6,7,12 (6 in total).

Factory management has uploaded the remediation plan after the follow up audit on the amfori platform. The management showed commitment on full implementation for amfori code. Management informed they complete all the issue systemically. Management is very positive on compliance requirement and local law.

After end of the audit a closing meeting was conducted with management representative and workers association.

Md. Asgor Ali (Labu)- Director
 Md. Dulan Shaikh- Manager (Admin)
 Md. Nuruzzaman- Assistant Manager (HR & Compliance)
 Md. Sabuj Akon- Vice President PC
 Md. Mamun Hossain- Senior Mechanic

Most of the previous issue is corrected and only few gap were identified which is agreed by management. Management informed they are committed to complete this to improve the internal system. Finally audit ends at 4.30 pm

Building description- One rented building which was 6-storey.

Floor 1: Ground floor: General Store, Fabric Store, Child care room, Doctors room, Time section, Security post, Parking area, Assembly point, Idle machine store.

Floor 2: Finishing, Packing section, Finished goods store.

Floor 3: Sewing section.

Floor 4: Sewing section.

Floor 5: Office and cutting section.

Floor 6: Dining, canteen, open space, pairing production area, spot removing room, female prayer room, wastage area.

One Shed which was 2-storey.

Floor 1: Staff dormitory, dining area.

Floor 2: Electrical substation, boiler, Generator, compressor, Knitting section, Yarn storage area.

Special circumstance:

- Below photos were not applicable- Contractor license/permit- Not applicable; Agency labor contract- Not applicable; Government waivers-Not applicable; Environmental licenses- Not applicable; Collective bargaining agreements- Not applicable; Inconsistencies between time and production records- Not applicable; High Risk chemical uses area- No such area
- The factory was not listed with ACCORD but engaged with ILO
- Audit ends at 4.30 pm; 1 hour extra due to cross checking previous issue and remediation plan review, marked up in audit plan
- Security housing is visited by auditors. This is mentioned in the housing tab 'There are 5 small rooms with 120 square feet where 9 factory staffs (Non production workers) are living.' Only used by Security staffs. No production workers dormitory onsite.
- Manual time cards are signed and verified by the each employee on each day, as this is verified by the employee and no deficiency found in overtime of working hour payment, and so this issue is cited under PA 1

Ratings Summary


Auditee's background information			
Auditee's name :	Sagacious Fashions Ltd.	Legal status :	Limited Company
Local Name :	সাগ্যাসিয়াস ফ্যাশনস লিমিটেড	Year in which the auditee was founded :	2007
Address :	74/1, Degerchala Main Road, National University, Gazipur Sadar, Gazipur	Contact person (please select) :	Mohammad Nuruzzaman
Province :	Dhaka	Contact's Email :	sagacious3.apparels@gmail.com
City :	Gazipur Sadar	Auditee's official language(s) for written communications :	English
Region :	South Asia	Other relevant languages for the auditee :	Bangla (Local Language)
Country :	Bangladesh	Website of auditee (if applicable) :	None
GPS coordinates :	23° 57' 47.86342" N, 90° 23' 8.12312" E	Total turnover (in Euros) :	7738706.31
Sector :	Non-Food	Of which exports % :	100.00
Industry :	Textiles, clothing, leather	Of which domestic market % :	0.00
If other, please specify :		Production volume :	4,50,000 pcs per month
Product Group :	Apparel	Production cost calculation :	Yes
If other, please specify :		Lost time injury calculation cost :	Yes
Product Type :	Apparel		

Auditee's employment structure at the time of the audit		
Total number of workers :	400	Total number of workers in the production unit to be monitored (if applicable) :
		0
	MALE WORKERS	FEMALE WORKERS
Permanent workers	140	260
Temporary workers	0	0
In management positions	16	2
Apprentices	0	0
On probation	0	0
With disabilities	0	0
Migrants (national citizens)	0	0
Migrants (foreign citizens)	0	0
Workers on the permanent payroll	140	260
Production based workers	0	0
With shifts at night	23	0
Unionised	0	0
Pregnant	-	0
On maternity leave	-	1

Finding Report



Performance Area 1 : Social Management System and Cascade Effect

2- Followup Audit [Audit Id - 171270] Audit Date: 22/12/2019 PA Score: B

Deadline date:30/03/2020

GOOD PRACTICES:

None

AREAS OF IMPROVEMENT:

The facility is a 100% export oriented industry. Management has set up a management system guided by local law and amfori code of conduct. The management has written social compliance policy and appointed a senior management to implement amfori BSCI Code of Conduct. A senior management personnel has appointed to implement amfori BSCI system and he is trained in social compliance organized by BGMEA. The auditee has a good overview and policy to select the significant business partners based on their level of alignment with BSCI Code of conduct. Facility has done supply chain and stake holder mapping as per expectation. Tol and code of conduct and corruption policy already shared, internal audit is also conducted. The facility maintains the production records and production capacity planning. There is no excessive overtime in last 3 months. Thus workforce capacity is properly organized to meet the expectations of the delivery order and/or contracts. Below gap has been identified in implementation-

As per BSCI memo and as management understand and want CAP in English- auditor given cap in English

1.1 - Follow up audit on September 22, 2019:

(i) Factory trade license was expired on June 30, 2018. However, the facility has deposited tax of City Corporation to update the license. It is not collected yet.

(ii) Knitting section operates in 3 shifts and 8 workers in knit work in 3 shifts. This section is recently started, and the factory still has not got the working hour approval for the 3 shifts from chief factory inspector.

(iii) The time cards are manually marked and signed by both workers and timekeeper on each day. The time cards are showing flat in and out time and 8:00 am every day in and 5:00pm every day out, if overtime mentioned 1 or 2 hours, instead of actual out time.

(iv) Internal audit is not effectively to focus on health and safety issues and audit is not regularly conducted as per their policy twice in a year, which is only conducted 1 once in a year.

(v) Annual leave payment is not updated in employees service book 8 out of 10 sampled checked employees file.

(vi) The auditee has policies whereas with no date and workers representatives were not involved in drafting and enforcing of the internal procedure on occupational health and safety. In addition, overtime policy is not updated as per new minimum wage gazette published in 2018.

Current audit status on 22-Dec-19: (i) Corrected. The factory has received its trade license and provided this document to auditor. Trade license showing it is valid up to 30-Jun-20. Management note that now the government has issued trade license in this region. The factory received this from authority on 23-Sep-19.

(ii) Corrected. The factory has applied to factory inspector on 10-Oct-19 for their newly started knitting section workers working in 3 shifts. The Factory inspector approved this working hour shift on 10-Oct-19.

(iii) Not corrected. Time card of the workers manually marked and signed by both workers and time keepers on each day. The time card showed uniform in & out time which is 08:00 am to 05:00 pm and incase of 01 to 02 hours overtime mentioned just 1 or 2 hours, instead of mentioning actual out time. [In accordance with amfori BSCI Code 1.1].

(iv) Corrected. The factory has now decided to conduct internal audit twice in a year as per policy and for the year 2019, 2 internal audits were done. These audits are done on 22-Jan-19 & 5-Dec-19. Internal audit seems effective. The reported previous issues are found corrected.

(v) Corrected. The factory has updated this annual leave status after last audit and completed this in November 2019. The annual leave payment status is updated in their service book.

(vi) Corrected. The factory has started to involve workers participation committee while drafting occupational health and safety policy. The previously reported policy of Occupational health and safety and overtime policy is revised on dated December 2019 and valid up to December 2020. This policy is updated with latest local law and minimum wage.

New Finding: As per the internal audit factory has raised issue on back support chair for sewing operators, which is still pending [In accordance with amfori BSCI Code 1.1]

1.4 - Follow up audit on September 22, 2019: Though the factories does not violate the working hour, during production planning there is no system to discuss workforce capacity with the head of HR and workers representatives while preparing the plan. Additionally management calculated the production planning and provided document for the month August 2019 but was unable to provide the document of June and July 2019 for review. Current audit status on 22-Dec-19 : Corrected. The auditor review the production capacity plan after there last audit and for the period of October, November, December 2019 and Advance production planning of January 2020. As per the approved plan this is discussed with Workers Association member, Department manager, Store officer, Merchandiser, Admin & HR, General manager, Director.

Remarks from Auditee:

Agreed. Time keeping software is already purchased and this will be active in 2020 January

1- Followup Audit [Audit Id - 163171] Audit Date: 22/09/2019 PA Score: D

Deadline date:30/10/2019

Good practices

None

Areas of improvement

The auditee has set up a management system to implement the amfori BSCI Code of Conduct. Md. Nuruzzaman, Assistant Manager(HR &

Compliance) has been assign to ensure that the amfori BSCI values and principles are followed in a satisfactory manner. Overview of the significant business partners and their level of alignment with amfori BSCI requirement and current workforce capacity is properly organized to meet the expectations of the delivery order. In addition, auditee internally monitors their business partners that how their business partners following their compliance's as per amfori guideline. However, gaps have been identified in implementation-

Auditor had offered the auditee to findings report in the local language (Bangla) but that they were well aware of English.

1.1 - Full audit on September 30, 2018:

a. During review of factory legal licenses, it was noted that factory trade license have been expired on June 30, 2018. However, facility has deposited tax of City Corporation to update the license.

b. Factory license category found "C". As per the updated manpower status for 300 employees, factory category should be "E". [Bangladesh Labor Rules 2015-Schedule- 7].

However, all other licenses and legal documentation found updated accordingly.

i. During the audit factory corrected one health and safety issue of three collapsible gates, and Facility took immediate corrective action by removing the doors onsite.

ii. During review of payroll record, one Hang Tag operator salary found not provided as per designation. As per appointment letter and designation grade 4 and should be paid 6420 BDT. However, the worker was paid 5600 BDT. Thus the worker was paid 1242 BDT less as per designation. Once this issue detected, auditee immediately called the worker and paid the less amount to the worker. The worker joined in the factory in the month of August 2018 and received one payment.

iii. During review of time records, it was noted that auditee maintains manual attendance card with workers signature. On the time card, there was an instruction at the back part if any worker is absent after lunch, full day payment will be deducted, which is illegal as per law. However, during audit no evidence of such kind of deduction reported in the payroll or any other records. Also the management informed that in the new time card format they have excluded that clause. [In accordance with BSCI Q. 1.1]

Follow up audit on September 22, 2019: Corrected issues:

a. Not corrected: Factory trade license was expired on June 30, 2018. However, the facility has deposited tax of City Corporation to update the license. It is not collected yet.

(i) Not corrected: There are gaps identified in Occupational Health and Safety.

(iii) Not corrected: The time cards are manually marked and signed by both workers and timekeeper on each day. The time cards are showing flat in and out time and 8:00 am every day in and 5:00pm every day out, if overtime mentioned 1 or 2 hours, instead of actual out time.

b. Corrected: Factory license category is as per law current category "F" which is matched with their manpower 405.

(ii) Corrected: Sampled check employees payroll record found as per their grade, designation, deduction, overtime rate all are as per law. The interviewed employee also confirmed that they were getting all payment as per law.

(iii) Corrected: There is no illegal clause mentioned in the manual time cards as per record.

New findings:

(i) Knitting section operates in 3 shifts and 8 workers in knitwork in 3 shifts. This section is recently started and the factory still has not gotten the working hour approval for the 3 shifts from chief factory inspector.

(ii) Internal audit is not effectively to focus on health and safety issues and audit is not regularly conducted as per their policy twice in a year, which is only conducted 1 once in a year.

(iii) Annual leave payment is not updated in employees service book 8 out of 10 sampled checked employees file.

(iv). The auditee has policies whereas with no date and workers representatives were not involved in drafting and enforcing of the internal procedure on occupational health and safety. In addition, overtime policy is not updated as per new minimum wage gazette published in 2018. [In accordance with amfori BSCI Code point no 1.1]

1.4 - Follow up audit on September 22, 2019: New Findings: Though the factories does not violate the working hour, during production planning there is no system to discuss workforce capacity with the head of HR and workers representatives while preparing the plan. Additionally management calculated the production planning and provided document for the month August 2019 but was unable to provide the document of June and July 2019 for review.

Remarks from Auditee

Agreed

Full Audit [Audit Id - 134717] Audit Date: 30/09/2018 PA Score: B

Deadline date:30/10/2018

Good practices

None

Areas of improvement

The factory has established a management system guided by BSCI code of conduct. This is the first initial audit for this facility under Amfori BSCI code of conduct. It is noted that the management system is nearly effective to achieve the BSCI expectations. The senior management team is lead by Mr. Dulal Shaikh – Manager (Admin & HR). The management implemented the BSCI values and principles with satisfactory manner and now doing to sustain on this core value. This factory is running since July 2017 and maintaining their compliance in practice since January 2018. From then the documentations and other practices are developing. The auditee's workforce capacity is properly organized to meet the expectations of the delivery order. There is satisfactory written policy and plan of action that the auditee monitors how its business partners observe the BSCI Code of Conduct. The management tried to due diligently mapped the supply chain and evaluate their performance to do business. The auditee manages

	<p>its business relations in a responsible manner. This facility is very young only one year running. Manpower is only 300 and this was the first time audit in the facility. Also the management informed the auditors that they will apply the automated time keeping system within short time. Depending on the overall scenario, the auditors agreed to not cite the uniform time keeping system as a finding. However gaps have been identified in implementation -</p> <p>The auditor has offered the onsite report in Bangla, however they said it is not required as they are fluent in English.</p> <p>1.1 - Based on the satisfactory evidence it was noted that auditee partially respects this principal because- a. During review of factory legal licenses, it was noted that factory trade license have been expired on June 30, 2018. However, facility has deposited tax of City Corporation to update the license. b. Factory license category found "C". As per the updated manpower status for 300 employees, factory category should be "E". [Bangladesh Labor Rules 2015-Schedule- 7] However, all other licenses and legal documentation found updated accordingly. (i) During the audit factory corrected one health and safety issue of three collapsible gates, and Facility took immediate corrective action by removing the doors onsite. (ii) During review of payroll record, one Hang Tag operator salary found not provided as per designation. As per appointment letter and designation grade 4 and should be paid 6420 BDT. However, the worker was paid 5600 BDT. Thus the worker was paid 1242 BDT less as per designation. Once this issue detected, auditee immediately called the worker and paid the less amount to the worker. The worker joined in the factory in the month of August 2018 and received one payment. (iii) During review of time records, it was noted that auditee maintains manual attendance card with workers signature. On the time card, there was an instruction at the back part if any worker is absent after lunch, full day payment will be deducted, which is illegal as per law. However, during audit no evidence of such kind of deduction reported in the payroll or any other records. Also the management informed that in the new time card format they have excluded that clause. [In accordance with BSCI Q. 1.1]</p> <p><u>Remarks from Auditee</u></p>
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Performance Area 2 : Workers Involvement and Protection

2- Followup Audit [Audit Id - 171270] Audit Date: 22/12/2019 PA Score: A

Deadline date:

GOOD PRACTICES:
AREAS OF IMPROVEMENT:

The factory has established a good management practices that involve workers and their representatives. There is information exchange on workplace issues by conducting regular meeting with elected workers representative and management which is done effectively. Note that workers association is approved by ministry of Labor of Bangladesh. Management has set there long term goals for business as well to protection for workers. The auditee provides different type of training to build competency among the managers, mid-level managers, workers and workers representatives to successfully implementation the BSCI code of conduct. There is a system of effective operational-level grievance mechanism for individuals and communities. All the previous issue was corrected as per objective evidence.

- 2.3 -** Follow up audit on September 22, 2019: 10 sampled employees are aware of leave procedures, maternity benefit, disciplinary procedures. However, the awareness level of the firefighting rescue team is not up to the mark. Their training on rescue procedure should be given to inform them about the procedure of rescue mechanism. Current audit status on 22-Dec-19 : Corrected. 10 sampled employees found aware about their leaves, maternity benefit, and disciplinary action procedures. Interviewed fire fighters, first aiders and rescuers found having adequate practical knowledge on their responsibilities.
- 2.5 -** Follow up audit on September 22, 2019: The grievance mechanism procedure is not up to the expectation as per amfori code. Auditee has developed grievance procedure, however, 'Potential Conflict of Interest' against the person who administers grievance and Appeal Procedures is not included. Security, cleaner, cutting, loader section is not covered in the grievance survey Current audit status on 22-Dec-19 : Corrected. The factory has included how to deal with potential conflict of interest against the person who administers grievance. As per this revision on November 2019, anyone can raise complaint against grievance committee and they can go to labor court of Bangladesh who is the ultimate authority to solve any grievance. Additionally factory has include appeal mechanism incase they are not satisfied and system of appeal. The management had conducted a survey on grievance for Security, cleaner, cutting, loader section in October 2019.

Remarks from Auditee:

1- Followup Audit [Audit Id - 163171] Audit Date: 22/09/2019 PA Score: C

Deadline date:31/12/2019

Good practices

None

Areas of improvement

There is satisfactory evidence that the auditee has established management practices that involve workers and their representatives in sound information exchange on workplace issues. In addition, defines long term goals to protect workers according to the amfori BSCI Code of Conduct and takes specific steps to make workers aware of their rights and responsibilities. Trying to builds sufficient competence among managers, workers, and workers representatives to successfully set in responsible practices in the business operation and an effective operational-level grievance mechanism for individuals and communities. However, gaps have been identifying implements as per BSCI aspects-

- 2.3 -** Full audit on September 30, 2018: Based on the limited evidence it was noted that auditee partially respects this principal because, among 20 sample interviewed employees, 8 employees found lack of knowledge regarding the leave procedures, maternity benefit, disciplinary procedures , firefighting operation etc. [In accordance with the amfori BSCI code of conduct 2.3] Follow up audit on September 22, 2019: Partially corrected. 10 sampled employees are aware of leave procedures, maternity benefit, disciplinary procedures. However, the awareness level of the firefighting rescue team is not up to the mark. Their training on rescue procedure should be given to inform them about the procedure of rescue mechanism. [In accordance with amfori BSCI Code 2.3]
- 2.4 -** Full audit on September 30, 2018: Based on the limited evidence it was noted that auditee partially respects this principal. Facility has conducted the election for their Participation Committee on September 15, 2018. Auditee has sent a letter of notification to the Factory Inspection Department. However, there was no authorized person present to observe the election and no acceptance letter was received by the committee. [Bangladesh Labour Code (2006), Sec.205] Follow up audit on September 22, 2019: Corrected. Acceptance letter of Participation committee is provided for review and all participant list is included in this letter as per law requirement.
- 2.5 -** Full audit on September 30, 2018: Based on the satisfactory evidence it was noted that auditee partially respects this principal. During review of complaint box registers, it was noted that Workers grievance was regarding not increasing the salary after three months for Helper. However, there was no fruitful action taken to resolve this issue and no further communication was done with the workers by the management on this topic. [In Accordance with BSCI Q. 2.5] Follow up audit on September 22, 2019: Corrected. Auditee has provided monthly basis training program to their employee as well as their mid-management staff regarding complaint box registers issues and verbal grievance solve as employee share as confirmed by the interviewee Helper/ Assistant operator. No complaint record observed in last 3 months from the employees. In addition as per law, all employees' salary increased in December 2018. New Finding: The grievance mechanism procedure is not up to the expectation as per amfori code. Auditee has developed grievance procedure, however, 'Potential Conflict of Interest' against the person who administers grievance and Appeal Procedures is not included. Security, cleaner, cutting, loader section is not covered in the grievance survey.[In accordance with amfori BSCI code of conduct point no 2.5]

Remarks from Auditee

Agreed

Full Audit [Audit Id - 134717] Audit Date: 30/09/2018 PA Score: D

Deadline date:30/10/2018

Good practices

None

Areas of improvement

Based on the satisfactory evidence, it was observed that the auditee has established effective management practices which involve workers and their representatives. Through the regular meeting, workplace related information and issues are shared with workers representative and workers. Moreover, there is a system of effective grievance mechanism for individuals and communities. However, gaps have been identified in implementations-

- 2.3 -** Based on the limited evidence it was noted that auditee partially respects this principal because, among 20 sample interviewed employees, 8 employees found lack of knowledge regarding the leave procedures, maternity benefit, disciplinary procedures , fire fighting operation etc. [In accordance with the amfori BSCI code of conduct 2.3]
- 2.4 -** Based on the limited evidence it was noted that auditee partially respects this principal. Facility has conducted the election for their Participation

<p>Committee on September 15, 2018. Auditee has sent a letter of notification to the Factory Inspection Department. However, there was no authorized person present to observe the election and no acceptance letter was received by the committee. [Bangladesh Labour Code (2006), Sec.205]</p>	
2.5 -	<p>Based on the satisfactory evidence it was noted that auditee partially respects this principal. During review of complaint box registers, it was noted that Workers grievance was regarding not increasing the salary after three months for Helper. However, there was no fruitful action taken to resolve this issue and no further communication was done with the workers by the management on this topic. [In Accordance with BSCI Q. 2.5]</p>
<p><u>Remarks from Auditee</u></p>	
<p>Performance Area 3 : The rights of Freedom of Association and Collective Bargaining</p>	
<p>2- Followup Audit [Audit Id - 171270] Audit Date: 22/12/2019 PA Score: A Deadline date:</p>	
<p><u>GOOD PRACTICES:</u> N/A</p>	
<p><u>AREAS OF IMPROVEMENT:</u> This performance area is not under the audit scope</p>	
<p><u>Remarks from Auditee:</u></p>	
<p>1- Followup Audit [Audit Id - 163171] Audit Date: 22/09/2019 PA Score: A Deadline date:</p>	
<p><u>Good practices</u></p>	
<p>None</p>	
<p><u>Areas of improvement</u></p>	
<p>This PA is not under the follow-up audit scope.</p>	
<p><u>Remarks from Auditee</u></p>	
<p>Full Audit [Audit Id - 134717] Audit Date: 30/09/2018 PA Score: A Deadline date:</p>	
<p><u>Good practices</u></p>	
<p>None</p>	
<p><u>Areas of improvement</u></p>	
<p>There is no legal binding of having trade union, but auditee has formed a workers participation committee. The auditee respects workers' right to bargain collectively which come from workers meeting, and the auditee does not discriminate any workers on any grounds. The current workers representative formed through worker's election, based on satisfactory evidence, it was observed that the auditee does not prevent worker's representatives from having access to or interacting with workers in the workplace.</p>	
<p><u>Remarks from Auditee</u></p>	

Performance Area 4 : No Discrimination	
2- Followup Audit [Audit Id - 171270] Audit Date: 22/12/2019 PA Score: A	Deadline date:
GOOD PRACTICES: N/A	
AREAS OF IMPROVEMENT: This performance area is not under the audit scope	
Remarks from Auditee:	
1- Followup Audit [Audit Id - 163171] Audit Date: 22/09/2019 PA Score: A	Deadline date:
<u>Good practices</u>	
None	
<u>Areas of improvement</u>	
This PA is not under the follow-up audit scope.	
<u>Remarks from Auditee</u>	
Full Audit [Audit Id - 134717] Audit Date: 30/09/2018 PA Score: A	Deadline date:
<u>Good practices</u>	
None	
<u>Areas of improvement</u>	
The auditee has policy and procedures to prevent any kind of discrimination in the workplace. Also, auditee takes the necessary steps and measures to avoid and eradicate the discrimination. In addition, sample interviewed workers ensured that they are not dismissed or discriminated in the workplace. Based on the satisfactory evidence it was noted that the main auditee entirely respects this Performance Area.	
<u>Remarks from Auditee</u>	

Performance Area 5 : Fair Remuneration

2- Followup Audit [Audit Id - 171270] Audit Date: 22/12/2019 PA Score: A

Deadline date:30/03/2020

GOOD PRACTICES:

The factory has done there fair remuneration survey

AREAS OF IMPROVEMENT:

The factory has implemented the legal minimum wage set by the Bangladesh government minimum wage board. Last minimum wage is declared on November 25, 2018 to implemented from December 2018. Factory also follow from same time. The lowest wage is reported 8000 BDT per month for a grade level helper and this this acceptable. Employees basic wage is settled as per the grade of the employee showing in minimum wage gazette. As there is no peak and off peak season report, auditor check records of September, October & November 2019 (After the last audit). For all sample and found salary is paid in a timely manner and in cash and as per minimum wage. Wage is paid within 7 working days after end of each pay period and no delay payment is reported. Pay slip is provided. There is satisfactory evidence showing, level of wages reflects the skills and education of workers. The auditee done survey on workers' decent living wage. All the social benefits are granted as per the law. The auditee ensures deductions are followed as per law. Gaps have been identified in implementation-

- 5.4 -** Follow up audit on September 22, 2019: Fair remuneration scan is done by the factory only based on 6 employees and gap analysis record is not considering all section. Knitting, cutting, security, cleaner and loader sections are not considered. Current audit status on 22-Dec-19 : Corrected. The factory has done there fair remuneration. The survey is done among 20 workers from different department such as cutting section 2, Finishing section 4, Sewing section 3, Quality section 1, Cleaning section 2, Loader 2, security guards 3, Knitting 3.
- 5.5 -** Follow up audit on September 22, 2019: Auditee provided festival holiday work payment two days with full wages. Sampled checked 6 security guards payment record is found paid full wages, whereas another alternative holiday is not ensured. As per provided leave record, they were enjoying casual leave instead of an alternative holiday. Current audit status on 22-Dec-19 : Not corrected. Findings: 02 sampled Security guards found worked on festival holidays in August and December 2019. Factory had paid 02 days payment as compensation for 01 day duty but legally required 01 day substitute day off not provided by the facility. [In accordance with Bangladesh Labour Law 2006, section-118(3)].

Remarks from Auditee:

Agreed. This will be provided in 2020

1- Followup Audit [Audit Id - 163171] Audit Date: 22/09/2019 PA Score: B

Deadline date:30/11/2019

Good practices

None

Areas of improvement

As per satisfactory evidence the auditee complies with the government's minimum wage legislation or the industry-standard approved i.e. 8000 BDT/Asst. Operator grade 7. As per payroll evidence that wages are paid in a timely manner; regularly and fully in legal tender. In addition, the level of wages reflects the skills and education of workers and provides sufficient remuneration as per law. Legal all benefits i.e. group insurance, annual leave benefit, maternity leave amount with leave and 2 festival bonus, etc. Absent deduction reported which is as per law. No illegal deduction reported. Auditor check records of June, July & August 2019 (No peak and off-peak season reported) for all sample and found salary is paid in a timely manner and in cash and as per minimum wage. Wage is paid within 7 working days after the end of each pay period and no delayed payment is reported. Auditee has a partial idea on workers' decent living wage however they did not consider all section only 6 employees data collected. Gaps have been identified in implementation-

- 5.4 -** Follow up audit on September 22, 2019: New Findings: Fair remuneration scan is done by the factory only based on 6 employees and gap analysis record is not considering all section. Knitting, cutting, security, cleaner and loader sections are not considered.[In accordance with amfori BSCI COC point no 5.4]
- 5.5 -** Full audit on September 30, 2018: Based on the satisfactory evidence it was noted that auditee partially respects this principal because – Auditee employed 06 security guards for maintaining security of the facility. During time records review of security guards, it was noted that the security guards who are working on the festival holiday are paid one day gross salary and one day leave where as they should be provided with two days leave with full wages and another alternative holiday. [Bangladesh Labour Code (2006), Sec.118] Follow up audit on September 22, 2019: Partially corrected. Auditee provided festival holiday work payment two days with full wages. Sampled checked 6 security guards payment record is found paid full wages, whereas another alternative holiday is not ensured. As per provided leave record, they were enjoying casual leave instead of an alternative holiday. [Bangladesh Labour Code (2006), Sec.118]

Remarks from Auditee

Agreed

Full Audit [Audit Id - 134717] Audit Date: 30/09/2018 PA Score: A

Deadline date:30/10/2018

Good practices

Facility has done the living wage calculation.

Areas of improvement

Auditee is following the minimum wage notification published in 2013 for garments industries where the minimum wage is 5300 BDT per month for grade seven helper. The document of 20 sample were checked and found the factory provided the minimum wages accordingly. The wage is paid within 7 working days after the end of pay periods. The wage is paid in cash. The wages of worker reflect the skills and education of workers. All the legal mandated benefits are provided to the employees. The auditor check the casual leave, sick leave, maternity leave as well. There is no illegal deduction reported. However below gap has been identified in implementation -

- 5.5 -** Based on the satisfactory evidence it was noted that auditee partially respects this principal because – Auditee employed 06 security guards for maintaining security of the facility. During time records review of security guards, it was noted that the security guards who are working on the festival holiday are paid one day gross salary and one day leave where as they should be provided with two days leave with full wages and another alternative holiday. [Bangladesh Labour Code (2006), Sec.118]

Remarks from Auditee

Performance Area 6 : Decent Working Hours

2- Followup Audit [Audit Id - 171270] Audit Date: 22/12/2019 PA Score: A

Deadline date:

GOOD PRACTICES:

None

AREAS OF IMPROVEMENT:

The factory maintained manual time card system for the employee. Manual time cards are signed and verified by the each employee on each day. As time in and out is verified by the employee and no deficiency found in overtime of working hour payment, no issue is not cited under PA 6.1. Payroll sheets & Overtime payment records is asked for June, July & August 2019 as no peak and off peak season reported. The working hour approval is reviewed. Approval is given for 1 shift of 8 hours starting from 8:00 am to 5:00 pm with 1 hour lunch break from 1:00 pm to 2:00 pm. Security and Knitting section operates in 3 shifts and it is also approved. The general working hour is found 48 hours per week and no overtime in reviewed periods. There is no rest break violation and no lack of 7th day rest issue found. The auditee fully respects this performance area.

- 6.2 -** Follow up audit on September 22, 2019: Though the factories does not violate the working hour, during production planning there is no system to discuss workforce capacity with the head of HR and workers representatives while preparing the plan. Additionally management calculated the production planning and provided document for the month August 2019 but was unable to provide the document of June and July 2019 for review. Current audit status on 22-Dec-19 : Corrected. The auditor review the production capacity plan after there last audit and for the period of October, November, December 2019 and Advance production planning of January 2020. As per the approved plan this is discussed with Workers Association member, Department manager, Store officer, Merchandiser, Admin & HR, General manager, Director.

Remarks from Auditee:

1- Followup Audit [Audit Id - 163171] Audit Date: 22/09/2019 PA Score: C

Deadline date:30/10/2019

Good practices

None

Areas of improvement

Auditee maintains manual time card system for the employees which is signed both by the timekeeper and employees. No peak and off-peak season reported, so auditor checked Payroll sheets & Overtime payment records in the months of June, July & August 2019. There is working hour approval reviewed. Approval is given for 1 shift of 8 hours starting from 8:00 am to 5:00 pm with a 1(one) hour lunch break at 12:45 PM to 1:45 PM. Security and knitting section operates in 3 shifts i.e. 6.00AM-2.00PM/2.00PM-10.00PM/10.00PM -6.00AM. The general working hour is found 48 hours per week and less overtime in reviewed periods as less order by their client's. No rest break violation and no lack of 7th-day rest issue found. The auditee partially respects this performance area-

- 6.2 -** Follow up audit on September 22, 2019: New Findings: Though the factories does not violate the working hour, during production planning there is no system to discuss workforce capacity with the head of HR and workers representatives while preparing the plan. Additionally management calculated the production planning and provided document for the month August 2019 but was unable to provide the document of June and July 2019 for review. [In accordance with amfori BSCI code of conduct point no 6.2]

Remarks from Auditee

Agreed

Full Audit [Audit Id - 134717] Audit Date: 30/09/2018 PA Score: A

Deadline date:

Good practices

None

Areas of improvement

Facility operates in only one shift starting from 08.00 am to 05.00 pm with 1-hour lunch break. The general working hour is found 48 hours per week. Overtime is added in some of the time as required by production demand. There is a developed contingency plan by the auditee. The break for the employee is in accordance with local law. The facility uses manual time records without accurate time-in/out of each employees, but have all employees sign once per working day. This facility is very young only one year running. Manpower is only 300 and this was the first time audit in the facility. Also the management informed the auditors that they will apply the automated time keeping system within short time. Depending on the overall scenario, the auditors agreed to not cite the uniform time keeping system as a finding. Based on the satisfactory evidence it was noted that the auditee fully respects this performance area.

Remarks from Auditee

Performance Area 7 : Occupational Health and Safety

2- Followup Audit [Audit Id - 171270] Audit Date: 22/12/2019 PA Score: A

Deadline date:30/03/2020

GOOD PRACTICES:

None

AREAS OF IMPROVEMENT:

The factory has developed a management system for occupational health and safety. The factory continuously seeks to improve workers' protection by carrying out risk assessments. The auditee regularly provides trainings for preventing injury. The factory posted signs and warnings. There is system for reporting accidents and injuries with analysis to avoid in future. The auditee has installed properly working firefighting equipment. The general escape routes are found accessible and clearly marked with evacuations plans in relevant places. The factory ensures safeguards for machine part. There are first-aiders and registered doctor and nurse onsite. The auditee provides potable water and the rest rooms are found clean with running water with privacy. The factory maintains acceptable temperature, humidity, space, sanitation, illumination which are reportedly adequate for the health and safety of workers. The factory does not provide transportation for workers. Below gap has been identified in implementation-

- 7.1 - Follow up audit on September 22, 2019: There are gaps identified, which indicate auditee is partially respected this point: fire drill is not conducted for night shift employees of knitting section and security guards, layout plan does not update as per current floor set up. In addition risk assessment is not conducted for the knitting section and rest section. Risk assessment conducted date is not mentioned as per the provided record. Current audit status on 22-Dec-19 : Corrected. The factory completed night fire drill, updated building lay out plan, risk assessment. New Findings: The boiler runs on compressed natural gas. However 2 out of 5 cylinders annual test report is not available [In accordance with amfori BSCI Code 7.1]
- 7.3 - Follow up audit on September 22, 2019: No date mentioned in the risk assessment record when they conducted the risk assessment. In addition, risk assessment for knitting section is not conducted yet. Current audit status on 22-Dec-19 : Corrected. The factory has done their risk assessment for knitting section. This is done on 10-Dec-19 and next review date is Jan 2020. The management also add safety committee members while conducted this risk of operation in knitting section.
- 7.5 - Follow up audit on September 22, 2019 (i) There is no night fire drill conducted for the night shift 8 workers and the security guards who stayed in the dormitory at night. Current audit status on 22-Dec-19 : Corrected. The factory has started to conduct fire drill for night shift workers. As per fire drill document this drill was conducted on 12-Nov-19 and total participant no was reported 13 and evacuation time is reported 1.45 minutes. Last day drill was conducted on 28-Nov-19. This drill was also reported to fire service in advance by registered postal mail. (ii) The OHS training regarding evacuation procedure is not well delivered. The awareness level of the firefighting rescue team is not up to the mark. Their training on rescue procedure should be given to inform them about the procedure of rescue mechanism. Current audit status on 22-Dec-19 : Corrected. Interviewed fire fighters and first aiders found having adequate knowledge on their duty and responsibilities in case of emergency.
- 7.11 - Follow up audit on September 22, 2019: The factory recently changed the layout in a few areas. However, the layout is not updated and mismatched found in floor number 6 where newly set up pairing production area. Current audit status on 22-Dec-19 : Corrected. Factory had obtained the updated layout plan on December 18, 2019 which found consistent with the actual factory layout for all the floor.
- 7.13 - New Findings: Electrician's license is expired on 24-Oct-19 [In accordance with Bangladesh Labor Rules 2015-Sixth Chapter-Safety Rule 58(9)]
- 7.22 - New Findings: Factory not provided covered bin in the female toilet as required by law. [Bangladesh Labor Rules 2015-Schedule-2 [Vide Rule 51]]

Remarks from Auditee:

Agreed The issues will be systemically solved by March 2020

1- Followup Audit [Audit Id - 163171] Audit Date: 22/09/2019 PA Score: A

Deadline date:30/10/2019

Good practices

None

Areas of improvement

The factory has developed its system for occupational health and safety to continuously improve workers' protection by carrying out risk assessments. Monthly basis training is provided for preventing injury. During facility walkthrough, it is observed that awareness poster, signs, and warnings posted in the section as well as a notice board are in place. Observed a system for reporting accidents and injuries with analysis to avoid in future and installed properly working firefighting equipment. Escape routes are found accessible and clearly marked with evacuations plans in relevant places. The auditee ensures safeguards for a machine part. First-aiders, registered doctor and nurse found onsite during walk through. Potable water and the restrooms are found clean with running water with privacy. Maintains acceptable temperature, humidity, space, sanitation, illumination which are reportedly adequate for the health and safety of workers. No transportation but dormitory facility only for security guards and staff. However, gap has been identified in implementation-

- 7.1 - Follow up audit on September 22, 2019: New Findings: There are gaps identified, which indicate auditee is partially respected this point: fire drill is not conducted for night shift employees of knitting section and security guards, layout plan does not update as per current floor set up. In addition risk assessment is not conducted for the knitting section and rest section. Risk assessment conducted date is not mentioned as per the provided record.[In accordance with amfori BSCI code of conduct point no 7.1]
- 7.3 - Full audit on September 30, 2018: Based on the satisfactory evidence it was noted that auditee partially respects this principal because -There is no risk assessment conducted for the Sagacious Fashions Ltd Staff quarter where 12 staffs and security guards are living. The staff quarter is observed installed with iron staircase with less width and hand railing on one side. However this was not included in the fire risk assessment [In accordance with amfori BSCI Code 7.3] Follow up audit on September 22, 2019: Corrected. The factory has installed hand railing on both side as per the risk assessment. New Findings: No date mentioned in the risk assessment record when they conducted the risk assessment. In addition, risk assessment for knitting section is not conducted yet.[In accordance with amfori BSCI code point no 7.3]
- 7.5 - Full audit on September 30, 2018: Based on the satisfactory evidence it was noted that auditee partially respects this principal because - (i) The factory conducted fire drill internally each month. However there is no system of notifying the fire department on this fire drill [In accordance with Bangladesh Labor Rules 2015-Sixth Chapter-Safety Rule 55] (ii) OHS training is no completed yet for the first aiders. There are totally 15 first aiders responsible for 9 first aid boxes. The training program is scheduled for six month duration started from 10-June-2018 to 15-November-2018. Last training was conducted on 10-September-2018. [In accordance with Labor Code 2006 Amendment of 35(a) published on July 22, 2013] Follow up audit on September 22, 2019: Corrected. i). Internal drill notifies to the fire department before 15 days of the drill and record reviewed. ii) As this is previous law for the first aider should six months training however this law changes and no such requirement by law now. But auditee conducted monthly basis training to their first aider which is accepted by law. Last first aid training on September 4, 2019. New Findings: (i) There is no night fire drill conducted for the night shift 8 workers and the security guards who stayed in the dormitory at night. [In accordance with amfori BSCI Code 7.5] (ii) The OHS training regarding evacuation procedure is not well delivered. The awareness level of the firefighting rescue team is not up to the mark. Their training on rescue procedure should be given to inform them about the procedure of rescue mechanism. [In accordance with amfor

BSCI Code 7.5]	
7.10 -	Full audit on September 30, 2018: Based on the satisfactory evidence it was noted that auditee partially respects this principal because – Accident analysis report of June to August 2018 is reviewed and totally 2 injury cases reported each month. However there is no training conducted for the injured employees for further awareness. [In accordance with amfori BSCI Code 7.10] Follow up audit on September 22, 2019: Corrected. Last six months record reviewed and they have recorded their minor injury record and no major incident record or reported. They were conducted injury analysis record and awareness training provided on a monthly basis. Last injury record send to labour department on July 2, 2019.
7.11 -	Full audit on September 30, 2018: Based on the satisfactory evidence it was noted that auditee partially respects this principal because – Building approval plan from the chief factory inspector shows Knitting section in ground floor however that area is used as storage area instead of knitting section. [In accordance with Bangladesh Labor Rules 2015- Chapter Nineteen- Others-Rule-353] Follow up audit on September 22, 2019: Corrected. Knitting section is used as a knitting production process. New Findings: The factory recently changed the layout in a few areas. However, the layout is not updated and mismatched found in floor number 6 where newly set up pairing production area. [In accordance with Bangladesh Labor Rules 2015-Chapter Nineteen-353]
7.16 -	Full audit on September 30, 2018: Based on the satisfactory evidence it was noted that auditee partially respects this principal because – There is no evacuation plot plan observed in the staff dormitory. [In accordance with Bangladesh Labor Rules 2015-Sixth Chapter-Safety Rule 55] Follow up audit on September 22, 2019: Corrected. The factory posted evacuation plot plan in the dormitory.
7.17 -	Full audit on September 30, 2018: Based on the satisfactory evidence it was noted that auditee partially respects this principal because – a) During review of Boiler license, it was noted that factory use one boiler no. Ba. Bo. 8762. License expired on August 19, 2018. However, applied for update on August 12, 2018. [Boilers Act (1923), Sec. 6] b) approximately 2 workers operating overlock machines did not use any eye guards [In accordance with amfori BSCI code 7.17] Follow up audit on September 22, 2019: Corrected.a) BB: 8762 license is found valid up to August 19, 2020. b).Overlock operators are observed using eye guards.
7.22 -	Full audit on September 30, 2018: Based on the satisfactory evidence it was noted that auditee partially respects this principal because – one out of two male toilets is observed without any soap provided [In accordance with Bangladesh Labor Rules 2015-Eighth Chapter- Welfare Arrangements-Rule- 86] Follow up audit on September 22, 2019: Corrected.The rest rooms are found with sufficient supplies.
<u>Remarks from Auditee</u>	
Agreed	
Full Audit [Audit Id - 134717] Audit Date: 30/09/2018 PA Score: A Deadline date:30/03/2019	
<u>Good practices</u>	
None	
<u>Areas of improvement</u>	
<p>The factory has an comprehensives policy on health and safety. The factory conducts regular risk assessments for safe, healthy and hygienic working conditions and provide different training for management, workers and their representatives. There is also discussion among these parties when developing and implementing systems. The factory enforces use of Personal Protective Equipment and implemented engineering and administrative control to improve the OHS standards. There is recording system for accidents reported and installed signs and warnings to avoid such incident. The equipment and buildings used for production are reportedly sound and approved. There is adequate amount of and properly working firefighting equipment, and auditee ensures emergency evacuation effectively. There is first aid personnel and hospital agreement onsite. The factory provides potable water, and ensure clean and effective rest room facility for workers. The factory does not provide any transportation. There is reported assessment on noise, emissions or dust, temperature, humidity etc. and found acceptable as per the law. However, gaps have been identified in implementation.</p>	
7.3 -	Based on the satisfactory evidence it was noted that auditee partially respects this principal because –There is no risk assessment conducted for the Sagacious Fashions Ltd Staff quarter where 12 staffs and security guards are living. The staff quarter is observed installed with iron staircase with less width and hand railing on one side. However this was not included in the fire risk assessment [In accordance with amfori BSCI Code 7.3]
7.5 -	Based on the satisfactory evidence it was noted that auditee partially respects this principal because – (i) The factory conducted fire drill internally each month. However there is no system of notifying the fire department on this fire drill [In accordance with Bangladesh Labor Rules 2015-Sixth Chapter-Safety Rule 55] (ii) OHS training is no completed yet for the first aiders. There are totally 15 first aiders responsible for 9 first aid boxes. The training program is scheduled for six month duration started from 10-June-2018 to 15-November-2018. Last training was conducted on 10-September-2018. [In accordance with Labor Code 2006 Amendment of 35(a) published on July 22, 2013]
7.10 -	Based on the satisfactory evidence it was noted that auditee partially respects this principal because – Accident analysis report of June to August 2018 is reviewed and totally 2 injury cases reported each month. However there is no training conducted for the injured employees for further awareness. [In accordance with amfori BSCI Code 7.10]
7.11 -	Based on the satisfactory evidence it was noted that auditee partially respects this principal because – Building approval plan from the chief factory inspector shows Knitting section in ground floor however that area is used as storage area instead of knitting section. [In accordance with Bangladesh Labor Rules 2015- Chapter Nineteen- Others-Rule-353]
7.16 -	Based on the satisfactory evidence it was noted that auditee partially respects this principal because – There is no evacuation plot plan observed in the staff dormitory. [In accordance with Bangladesh Labor Rules 2015-Sixth Chapter-Safety Rule 55]
7.17 -	Based on the satisfactory evidence it was noted that auditee partially respects this principal because – a) During review of Boiler license, it was noted that factory use one boiler no. Ba. Bo. 8762. License expired on August 19, 2018. However, applied for update on August 12, 2018. [Boilers Act (1923), Sec. 6] b) approximately 2 workers operating overlock machines did not use any eye guards [In accordance with amfori BSCI code 7.17]
7.22 -	Based on the satisfactory evidence it was noted that auditee partially respects this principal because – one out of two male toilets is observed without any soap provided [In accordance with Bangladesh Labor Rules 2015-Eighth Chapter- Welfare Arrangements-Rule- 86]
<u>Remarks from Auditee</u>	

Performance Area 8 : No Child Labour	
2- Followup Audit [Audit Id - 171270] Audit Date: 22/12/2019 PA Score: A	Deadline date:
GOOD PRACTICES: N/A	
AREAS OF IMPROVEMENT: This performance area is not under the audit scope	
Remarks from Auditee:	
1- Followup Audit [Audit Id - 163171] Audit Date: 22/09/2019 PA Score: A	Deadline date:
<u>Good practices</u>	
None	
<u>Areas of improvement</u>	
This PA is not under the follow-up audit scope.	
<u>Remarks from Auditee</u>	
Full Audit [Audit Id - 134717] Audit Date: 30/09/2018 PA Score: A	Deadline date:
<u>Good practices</u>	
None	
<u>Areas of improvement</u>	
As per the company policy, the factory does not hire employee below 18 years. The sample employees are found with age proof document as medical certificate. There is also other document like national identity cards and birth certificate. The factory kept this records copy in employees personnel file. No child labor was observed on the audit day. Based on the satisfactory evidence it was noted that auditee fully respects this performance area.	
<u>Remarks from Auditee</u>	
Performance Area 9 : Special protection for young workers	
2- Followup Audit [Audit Id - 171270] Audit Date: 22/12/2019 PA Score: A	Deadline date:
GOOD PRACTICES: N/A	
AREAS OF IMPROVEMENT: This performance area is not under the audit scope	
Remarks from Auditee:	
1- Followup Audit [Audit Id - 163171] Audit Date: 22/09/2019 PA Score: A	Deadline date:
<u>Good practices</u>	
None	
<u>Areas of improvement</u>	
This PA is not under the follow-up audit scope.	
<u>Remarks from Auditee</u>	
Full Audit [Audit Id - 134717] Audit Date: 30/09/2018 PA Score: A	Deadline date:
<u>Good practices</u>	
None	
<u>Areas of improvement</u>	
N/A. No young workers were reported. The auditor noted that no young workers engagement onsite (9.1 - 9.6 are not applicable)	
<u>Remarks from Auditee</u>	

Performance Area 10 : No Precarious Employment	
2- Followup Audit [Audit Id - 171270] Audit Date: 22/12/2019 PA Score: A	Deadline date:
GOOD PRACTICES: N/A	
AREAS OF IMPROVEMENT: This performance area is not under the audit scope	
Remarks from Auditee:	
1- Followup Audit [Audit Id - 163171] Audit Date: 22/09/2019 PA Score: A	Deadline date:
<u>Good practices</u>	
None	
<u>Areas of improvement</u>	
This PA is not under the follow-up audit scope.	
<u>Remarks from Auditee</u>	
Full Audit [Audit Id - 134717] Audit Date: 30/09/2018 PA Score: A	Deadline date:
<u>Good practices</u>	
None	
<u>Areas of improvement</u>	
All employees are full time and fixed term employees. No contracted or temporary employees were reported onsite. No piece or short time employee reported. The auditee employment relationships are reportedly not precarious for the workers. The factory maintain the employment document as aligned by the government rules and regulations. Based on the satisfactory evidence it was noted that auditee fully respects this performance area.	
<u>Remarks from Auditee</u>	
Performance Area 11 : No Bonded Labour	
2- Followup Audit [Audit Id - 171270] Audit Date: 22/12/2019 PA Score: A	Deadline date:
GOOD PRACTICES: N/A	
AREAS OF IMPROVEMENT: This performance area is not under the audit scope	
Remarks from Auditee:	
1- Followup Audit [Audit Id - 163171] Audit Date: 22/09/2019 PA Score: A	Deadline date:
<u>Good practices</u>	
None	
<u>Areas of improvement</u>	
This PA is not under the follow-up audit scope.	
<u>Remarks from Auditee</u>	
Full Audit [Audit Id - 134717] Audit Date: 30/09/2018 PA Score: A	Deadline date:
<u>Good practices</u>	
None	
<u>Areas of improvement</u>	
The factory does not engage in any form of Prison, servitude, forced, bonded, indentured, trafficked or non-voluntary labor. No migrant workers are hired (11.2 is graded N/A). Based on satisfactory evidence it was noted that the main auditee entirely respects this Performance Area.	
<u>Remarks from Auditee</u>	

Performance Area 12 : Protection of the Environment

2- Followup Audit [Audit Id - 171270] Audit Date: 22/12/2019 PA Score: A

Deadline date:30/03/2020

GOOD PRACTICES:

None

AREAS OF IMPROVEMENT:

The factory does not engage any excessive use of production related with chemicals as there no dyeing or washing production process in auditee. The factory is with Knitting, cutting, sewing and finishing process. They does not required valid environmental clearance certificate. The factory has done there EIA report and air emission is measured. The factory do not generate any hazardous wastage. The main wastages are fabric cut piece, plastics, threads, poly bag and papers. These are sold to a licensed contractor for recycle. However below gap has been identified in implementation-

12.4 - New Findings: Non-recyclable waste such as used cotton and needle with syringe and recyclable waste such as paper and plastic kept together inside the same waste bin in the medical room. [Bangladesh Labor Law 2006, Section-54].

12.5 - Follow up audit on September 22, 2019: The facility uses deep tube well to extract groundwater, however, permission for the extraction of groundwater has not been collected to concern authority yet. However, auditee provided awareness training on monthly basis and last training on September 12, 2019. Current audit status on 22-Dec-19 : Corrected. The factory has received their water extraction permission for the Gazipur City Corporation on dated 17-Dec-19. This is valid up to 30-Jun-20 to extract water by 1 deep tube well.

Remarks from Auditee:

Agreed

1- Followup Audit [Audit Id - 163171] Audit Date: 22/09/2019 PA Score: A

Deadline date:21/09/2020

Good practices

None

Areas of improvement

Auditee's production process is knitting, cutting, sewing and packing. There is no dyeing, printing and washing process and not engage any excessive use of products related to chemicals. As per law, no environmental clearance certificate is required. The factory has done the EIA report, and air emission is measured by the external party. The auditee is not generated any hazardous waste. The main types of wastes were fabric cut piece, plastics, threads, poly bag and papers and sold a licensee contractor for recycling. However, the gap has been identified in implementation-

12.5 - Full audit on September 30, 2018: Based on the satisfactory evidence it was noted that auditee does not respect this principal because During management interview and document review it was noted that facility uses deep tube well to extract ground water. However, auditee could not provide any proof of permission for the extraction of ground water. Moreover, there is no awareness training provided to the workers to reduce the natural resources usage. Follow up audit on September 22, 2019: Partially Corrected. The facility uses deep tube well to extract groundwater, however, permission for the extraction of groundwater has not been collected to concern authority yet. However, auditee provided awareness training on monthly basis and last training on September 12, 2019. [In accordance with amfori BSCI code of conduct point no 12.5]

Remarks from Auditee

Agreed

Full Audit [Audit Id - 134717] Audit Date: 30/09/2018 PA Score: B

Deadline date:30/03/2019

Good practices

None

Areas of improvement

The factory is a garments manufacturing unit with cut to pack operation. The auditor observed waste is managed in a way that does not lead to the pollution of the environment. There is program for water, energy conservation among the workers auditor observed. Based on satisfactory evident the main auditee partially respects this performance area.

12.5 - Based on the satisfactory evidence it was noted that auditee does not respect this principal because During management interview and document review it was noted that facility uses deep tube well to extract ground water. However, auditee could not provide any proof of permission for the extraction of ground water. Moreover, there is no awareness trining provided to the workers to reduce the natural resources usage.

Remarks from Auditee

Performance Area 13 : Ethical Business Behaviour	
2- Followup Audit [Audit Id - 171270] Audit Date: 22/12/2019 PA Score: A	Deadline date:
GOOD PRACTICES: N/A	
AREAS OF IMPROVEMENT: This performance area is not under the audit scope	
Remarks from Auditee:	
1- Followup Audit [Audit Id - 163171] Audit Date: 22/09/2019 PA Score: A	Deadline date:
<u>Good practices</u>	
None	
<u>Areas of improvement</u>	
This PA is not under the follow-up audit scope.	
<u>Remarks from Auditee</u>	
Full Audit [Audit Id - 134717] Audit Date: 30/09/2018 PA Score: A	Deadline date:
<u>Good practices</u>	
None	
<u>Areas of improvement</u>	
The factory has written policy on anti-corruption and bribery and ethical business behavior. During the opening meeting, the management informed they always maintain transparency and provide accurate information to all parties. For working hour, compensation, there is no hidden document. The processes personal information is maintained and recorded with reasonable care. Based on satisfactory evidence it was noted that the main auditee entirely respects this Performance Area.	
<u>Remarks from Auditee</u>	

Summary



Audit Type	Date	Audit Id	PA1	PA2	PA3	PA4	PA5	PA6	PA7	PA8	PA9	PA10	PA11	PA12	PA13	Overall Rating
Follow-up Audit	22/12/2019	171270	B	A	A	A	A	A	A	A	A	A	A	A	A	A
Follow-up Audit	22/09/2019	163171	D	C	A	A	B	C	A	A	A	A	A	A	A	C
Full Audit	30/09/2018	134717	B	D	A	A	A	A	A	A	A	A	A	B	A	C

Producer Photos



External photo(s) of the production unit(s)
Entrance to the audited facility.JPG



External photo(s) of the production unit(s)
Facility name.JPG



External photo(s) of the production unit(s)
Facility Outlook.JPG



Photo first aid facilities
First aid kit.JPG



Photo of fire safety equipment
Attached fire extinguisher.JPG



Photo of fire safety equipment
Fire alarm.JPG



Photo of fire safety equipment
Fire fighting equipment.JPG



Photo of fire safety equipment
Fire hose checked.JPG



Photo of fire safety equipment
Fire rated door.JPG



Photo of fire safety equipment
Smoke detector.JPG



Photo of the canteen (if applicable)
Canteen.JPG



Photo of the code of conduct on display
Amfori BSCI code of conduct Posted.JPG



Photo of the dormitories (if applicable)
Dormitory for security guards.png



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



Photo of the inside of the main production hall
Production Areas-Collar.JPG



Photo of the inside of the main production hall
Production Areas-Cutting.JPG



Photo of the inside of the main production hall
Production Areas-Finishing.JPG



Photo of the inside of the main production hall
Production Areas-Knitting.JPG



Photo of the inside of the main production hall
Production Areas-Packing.JPG



Photo of the inside of the main production hall
Production Areas-Pairing.JPG



Photo of the inside of the main production hall
Production Areas-Sewing.JPG



Photo of the sanitary facilities
Drinking water.JPG



Photo of non-conformity
Back rest not provided.JPG



Photo of non-conformity
Covered bin not provided in the female toilet.JPG



Photo of non-conformity
Medical waste not segregated.JPG