SMETA
Sedex Members Ethical Trade Audit

SMETA Corrective Action Plan Report (CAPR)

Version 7

Contents

Audit content

(1) A SMETA audit was conducted which included some or all of Labour Standards, Health & Safety, Environment and Business Ethics. The SMETA Minimum Requirements were applied and the SMETA Auditor Manual was followed. The scope of workers included all types at the site e.g. direct employees, agency workers, workers employed by service providers and workers provided by other contractors. Any deviations from the SMETA Methodology are stated (with reasons for deviation) in the SMETA Declaration.

The audit scope includes an assessment of the Workplace Requirements and the Management Systems Assessment against the following Code Areas:

Included in a 2-Pillar audit:

1. Labour Standards Code Areas:
   - 0: Enabling accurate Assessment
   - 1: Employment is Freely Chosen
   - 1.A: Responsible Recruitment & Entitlement to Work
   - 2: Freedom of Association and Right to Collective Bargaining are Respected
   - 4: Child Labour Shall Not be Used
   - 5: Legal Wages are Paid
   - 5.A: Living Wages are Paid
   - 6: Working Hours are Not Excessive
   - 7: No Discrimination is Practiced
   - 8: Regular Employment is Provided
   - 8.A: Sub-contracting and Homeworkers are Used Responsibly
   - 9: No Harsh or Inhumane Treatment is Allowed
2. Health & Safety Code Area:
   - 3: Working Conditions are Safe and Hygienic
3. Environment Code Area:
   - 10.A: Environment 2-Pillar

Included in a 4-Pillar audit:

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

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

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

Audit and site details

Audit details

Sedex company reference	ZC1084562	**Auditor company name**	Intertek Bangladesh
Date of audit	2025-01-05	**Audit conducted by**	Sedex member
Audit pillars	Labour Standards | Health and safety | Environment 4-Pillar | Business ethics		

Site details

Sedex site reference	ZS1054073	**Site name**	Zon Ron Sweaters Ltd
Business name	Zon Ron Sweaters Ltd.	**Site address**	Dhaka Nischintapur, Asholia, DEPZ Road, Zaribo , , -, Dhaka, BD

Audit parameters

Time in and out	Day 1	
	In	08:50
	Out	17:10
Audit type	Partial follow up	
Was the audit announced?	Semi announced	
Was the Sedex SAQ available for review?	No	
Who signed and agreed CAPR?	Md. Moniruzzaman / Manager (HR, Admin and Compliance)	
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	No	Yes
B: Present at the audit?	Yes	No	Yes
C: Present at the closing meeting?	Yes	No	Yes
Reason for absence at the opening meeting	In Facility the workers have their own registered trade union, that is why worker representative was not present. However, the representative of the Trade Union was present during the opening meeting.		
Reason for absence during the audit	In Facility the workers have their own registered trade union, that is why worker representative was not present. However, the representative of the Trade Union was present during audit.		
Reason for absence at the closing meeting	In Facility the workers have their own registered trade union, that is why worker representative was not present. However, the representative of the Trade Union was present during the closing meeting.		

SMETA declaration

Auditor team

SMETA declaration	I declare that the audit underpinning the following report was conducted in accordance with SMETA Minimum Requirements and the SMETA Auditor Manual. 1. Where appropriate non-compliances/ non-conformances were raised against the Base Code and local law and recorded as non-compliances/ non-conformances on both the audit report, CAPR and on the Sedex Platform. 2. Any non-conformance against customer code alone shall not be uploaded to Sedex, and will be shared directly with the customer in question. This report provides a summary of the findings and other applicable information found/gathered during the social audit conducted on the above date only and does not officially confirm or certify compliance with any legal regulations or industry standards. The social audit process requires that information be gathered and considered from records review, worker interviews, management interviews and visual observation. More information is gathered during the social audit process than is provided here. The audit process is a sampling exercise only and does not guarantee that the audited site prior, during or post–audit, are in full compliance with the Code being audited against. The provisions of this Code constitute minimum and not maximum standards and this Code should not be used to prevent companies from exceeding these standards. Companies applying this Code are expected to comply with national and other applicable laws and where the provisions of law and this Code address the same subject, to apply that provision which affords the greater protection. The ownership of this report remains with the party who has paid for the audit. Release permission must be provided by the owner prior to release to any third parties.		
Any exceptions to the SMETA Methodology must be recorded here (e.g. different sample size)	None		
Lead auditor	Rokibul Hasan Mollah	**APSCA Number**	32200261
Additional auditor	Nasrin Munny	**APSCA Number**	21703703
	Thohedul Islam Talukdar	**APSCA Number**	32400231
Date of declaration	2025-01-05		

Site representation

Declaration	I acknowledge that details from this report can change during the review process and that I will be given the opportunity to dispute the content once the review has been published.
Full name	Md. Moniruzzaman
Title	Manager (HR, Admin and Compliance)
Date of declaration	2025-01-05

Summary of findings

Code area	Workplace requirement	Local law	Finding
0. Enabling accurate assessment	0.D Maintain a written human rights policy st...		NC ZAF600759989
10.C. Business ethics	10.C.E Provide appropriate business ethics tr...		NC ZAF600759990
3. Working conditions are safe and hygienic	3.M Ensure all machinery is installed, mainta...	§1	NC ZAF600759991
	3.M Ensure all machinery is installed, mainta...	§2	NC ZAF600759993
	3.M Ensure all machinery is installed, mainta...	§3	NC ZAF600759995
	3.N Maintain a log of all hazardous substance...	§4	NC ZAF600759996
	3.A Ensure a safe working environment. Put in...	§5	NC ZAF600759997
	3.A Ensure a safe working environment. Put in...	§6	NC ZAF600759998
	3.L Implement effective processes to manage f...	§7	NC ZAF600782476
	3.H Where identified as necessary to reduce r...	§8	NC ZAF600782477
	3.L Implement effective processes to manage f...	§9	NC ZAF600782478
	3.N Maintain a log of all hazardous substance...	§10	NC ZAF600782479
	3.R Provide clean and secure toilets, wash ar...	§11	NC ZAF600782482
10.A. Environment 2-Pillar	10.A.B Comply with relevant local, regional a...	§12	NC ZAF600759992
	10.A.B Comply with relevant local, regional a...	§13	NC ZAF600782480
10.B. Environment 4-Pillar	10.B.H Record energy use, water use, solid wa...	§14	NC ZAF600759994
5. Legal wages are paid	5.B Ensure that workers receive the insurance...	§15	NC ZAF600759999
	5.B Ensure that workers receive the insurance...	§16	NC ZAF600782481
6. Working hours are not excessive	6.A Ensure working hours do not exceed legal ...	§17	NC ZAF600760000

Local law issues

§1	Bangladesh Energy Regulatory Commission Act, 2003 : Section# 27 and Bangladesh Energy Regulatory Commission License Regulations, 2006 : Regulation# 3 & 6. | No person shall engage himself in the following business unless he is empowered by a license or exempted from having it under this Act or any other Act, such as:- (a) power generation; (b) energy transmission; (c) energy distribution and marketing; (d) energy supply; and (e) energy storage.
§2	Bangladesh Labor Rules-2015, Rule 67 (2): (The concerned manufacturing institute must provide necessary equipment, including safety shoes, helmets, goggles, masks, hand gloves, earmuffs, ear plugs, waist belts, aprons etc. and arrange training programs for the workers in using these materials and ensure their usage.
§3	In accordance with Boiler Rules 1953-2-The boiler attendant shall be in charge of the boiler - No owner shall use the boiler himself or allow anyone else to use it except under the direct and constant supervision of a qualified and appropriate person referred to in Rule 3. (Unauthorized translation)
§4	In accordance with Bangladesh Labour Rules 2015, Rule 68 (10): The owner shall place Material Safety Data Sheet (MSDS) of dangerous materials in an easily noticeable place so that the employed worker can be well informed about the possible hazards.
§5	In accordance with Bangladesh labor Law 2006, section 94 (2): 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 oversee experienced or trained woman.
§6	In accordance with Bangladesh Labour Rules 2015, 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.
§7	Bangladesh Labor Law 2006, Section-62(6): 62 (6) A free passageway giving access to each way of exit in case of fire shall be provided for the use of the workers in every room of the establishment.
§8	Bangladesh Labour Rules 2015, Rule 67(2): In addition to the arrangement of safety and health protection measures mentioned in Sub-section (1), the concerned manufacturing institute must provide necessary equipment, including safety shoes, helmets, goggles, masks, hand gloves, earmuffs, ear plugs, waist belts, aprons etc. and arrange training programs for the workers in using these materials and ensure their usage.
§9	Bangladesh Labour Rules 2015, Rule 55 (8): The arrangement should be made to show evacuation plan of exit in one or more places easily visible in each floor of each floor of the factory.
§10	Bangladesh Petroleum Act 2016; 6 (1): Notwithstanding anything contained in this Chapter, no licence shall be required in the following circumstances, namely: (a) transport or storage of class II and class III petroleum not exceeding 2000 (two thousand) liters : Provided that such petroleum shall be contained in receptacles of 1000 (one thousand) liters or less in capacity;

§11	Bangladesh Labor Rules 2015, Rule 88 (1-6): 1) Adequate number of utensils, spoons, furniture and other instruments has to be kept in the canteen for well management. 2) Special clothes have to be arranged for the caterers and workers of the canteen and the clothes have to kept neat and clean. 3) Furniture, utensils and other instruments have to be kept clean and the same has to maintained in hygienic way. 4) All types of food items have to be preserved and served in such a way so that the food items cannot be polluted or come in contact with mosquito, flies and dusts. 5) If there is an arrangement of service counters in canteens, the surface of it must be smooth and the counter shall be made of impervious materials. 6) There has to be appropriate arrangements for washing utensils and other instruments in addition to the supply of hot water in it.
§12	In accordance with Bangladesh Labor Law 2006, Section 102 (2): ((2) Subject to the provisions of section 108, an adult worker may work for more than 48 (forty-eight) hours also in a week: Provided that the total working hours of such worker shall not exceed 60 (sixty) hours in a week, and on the average 56 (fifty-six) hours per week in a year.
§13	Labor Act 2006, Section 99. Introduction of compulsory group insurance.(1) In an establishment where at least 100 (one hundred) permanent workers are employed, the employer shall introduce group insurance under the existing insurance laws.
§14	In accordance with Bangladesh Labor Law 2006, Section 102 (2): ((2) Subject to the provisions of section 108, an adult worker may work for more than 48 (forty-eight) hours also in a week: Provided that the total working hours of such worker shall not exceed 60 (sixty) hours in a week, and on the average 56 (fifty-six) hours per week in a year.
§15	The Environment Conservation Rules, 2023, Rule 20 (1, 2 & 3): The validity of the Environmental Clearance Certificate (ECC) for the applicable projects/ industrial units will be as per stated: (1) For Green categorized units: 05 years from date of issuance, (2) For Yellow categorized units: 02 years from date of issuance & (3) For Orange & Red categorized units: 01 years from date of issuance. (unofficial translation)
§16	Environmental Conservation Rule-2023, Rule 20 (3): In case of expiry of orange and red class industrial establishment or project location clearance or environmental clearance, it shall be 1 (one) year from the date of issue which shall be renewable at intervals of 1 (one) year.
§17	According to Labour Law 2006 (54): Disposal of wastes and effluents. Effective arrangements shall be taken in every establishment for disposal of wastes and effluents due to manufacturing process carried on therein.

Findings: non-compliances

ZAF600759989

Non-compliance

Due 2024-12-22

Code area
0 Enabling accurate assessment

Workplace requirement
0.D Maintain a written human rights policy statement that is approved at the most senior level, communicated to all personnel, and trained to relevant personnel.

Issue title
804 - Written human rights policy in place but does not meet the full requirement to be approved at the most senior level, communicated to all personnel, and trained to relevant personnel.

Description
Based on documents review, workers & management interview it was noted that the facility has already conducted a Human Rights training on 19 December 2024 with 23 participants, which training was conducted by Sr. Executive - Compliance. Moreover, the facility posted the human rights policy in their notice boards of the different sections.

Description (carried over)
Based on management interview and document review, it was noted that the factory has formulated human rights policy and also had it approved at the senior management level, however the said policy was not yet communicated to the general workers and also no training was provided to the relevant personnel, like: line staffs, mid level management.

Corrective and preventative actions
The facility has already taken corrective & preventive actions.

Corrective and preventative actions (carried over)
It is recommended that the factory would communicate the human rights policy to its workers and also arrange training session for the relevant personnel.

Status
Closed (2025-01-05)*

Time given to resolve
60 days

Verification method
Desktop audit

Area of non-compliance/non-conformance
Base code

* PDF generated at 04:17 (UTC) on 22 Jan 2025. View this finding on the Sedex platform for live updates and closure details.

ZAF600759990

Non-compliance

Due 2025-01-21

Code area
10.C Business ethics

Status
Closed (2025-01-05)*

Workplace requirement

10.C.E Provide appropriate business ethics training to workers at all levels in roles which have greater exposure to risks of bribery, corruption, fraudulent or unethical business practices, such as sales, purchasing, logistics.

Issue title

956 - Lack of business ethics training to individuals in high risk roles

Description

Based on documents review, workers & management interview it was noted that the facility has already conducted a Business Ethics training on 19 December 2024 with 23 participants, which training was conducted by Sr. Executive - Compliance. Moreover, the facility posted the human rights policy in their notice boards of the different sections.

Description (carried over)

Based on management interview and document review, it was noted that the facility has formed policy on business ethics. However no training on business ethics has been provided yet to the individuals in high risk roles.

Corrective and preventative actions

The facility has already taken corrective & preventive actions.

Corrective and preventative actions (carried over)

It is recommended that the factory should provide training on business ethics to the employees who have greater exposure to risks of bribery, corruption, fraudulent or unethical business practices, such as sales, purchasing, logistics.

Time given to resolve

90 days

Verification method

Desktop audit

Area of non-compliance/non-conformance

Base code

* PDF generated at 04:17 (UTC) on 22 Jan 2025. View this finding on the Sedex platform for live updates and closure details.

ZAF600759991

Non-compliance

Due 2024-11-22

Code area

3 Working conditions are safe and hygienic

Workplace requirement

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

Issue title

267 - No/inadequate certificates for inspections of machinery, or machines not registered as required by law

Description

Based on management interview and document review, it was noted that currently the factory does have 3 diesel fueled generators with a combined power generation capacity of 1.420 Mega Watt. However the existing license for Captive Power Plant (CPP), License# CPP-0581, which has already been expired since last 24-October-2023, is mentioning power generation capacity of 1.232 MW only. Noted that the facility has already taken necessary steps by submitting the license renewal application to the concerned authority (BERC) on 19 September 2024.

Status

Open*

Time given to resolve

30 days

Verification method

Desktop audit

Area of non-compliance/non-conformance

Local law

Base code

Description (carried over)

Based on management interview and document review, it was noted that currently the factory does have 3 diesel fueled generators with a combined power generation capacity of 1.420 Mega Watt. However the existing license for Captive Power Plant (CPP), License# CPP-0581, which has already been expired since last 24-October-2023, is mentioning power generation capacity of 1.232 MW only. Noted that the facility has already taken necessary steps by submitting the license renewal application to BERC along with amended capacity of 1.420 MW.

Corrective and preventative actions

It is recommended that the facility should obtain an updated CPP License from the concerned authority.

Corrective and preventative actions (carried over)

It is recommned that the facility would obtain up to date copy of license for its equipment and machineries.

Local law reference

Bangladesh Energy Regulatory Commission Act, 2003 : Section# 27 and Bangladesh Energy Regulatory Commission License Regulations, 2006 : Regulation# 3 & 6. | No person shall engage himself in the following business unless he is empowered by a license or exempted from having it under this Act or any other Act, such as:- (a) power generation; (b) energy transmission; (c) energy distribution and marketing; (d) energy supply; and (e) energy storage.

* PDF generated at 04:17 (UTC) on 22 Jan 2025. View this finding on the Sedex platform for live updates and closure details.

ZAF600759992

Non-compliance Due 2024-11-22

Code area

10.A Environment 2-Pillar

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.

Issue title

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

Description

Based on documents review it was noted that the Environment Clearance Certificate (ECC) (Certificate no# 24-117034; Category: Orange) of the facility (For Captive Power Plant - CPP; Capacity: 1.232 MW) has been expired on 09 November 2024. However, the facility has already applied for the renewal to concerned authority on 03 November 2024.

Description (carried over)

Based on management interview and document review, it was noted that the facility has obtained its Environmental Clearance Certificate (ECC) on 30-July-2024 in Orange category (Certificate# 24-123788), however the validity period of the said certificate has been expired since last 26-August-2024. Noted that the facility has already submitted renewal application on last 14-August-2024 to the Department of Environment (DOE) but the renewed copy has not been published yet.

Status

Open*

Time given to resolve

30 days

Verification method

Desktop audit

Area of non-compliance/non-conformance

Local law

Base code

Corrective and preventative actions

It's recommended that the facility should obtain an updated ECC for their Captive Power Plant (CPP) from the concerned authority.

Corrective and preventative actions (carried over)

It is recommended that the facility should obtain up to date environmental license.

Local law reference

The Environment Conservation Rules, 2023, Rule 20 (1, 2 & 3): The validity of the Environmental Clearance Certificate (ECC) for the applicable projects/ industrial units will be as per stated: (1) For Green categorized units: 05 years from date of issuance, (2) For Yellow categorized units: 02 years from date of issuance & (3) For Orange & Red categorized units: 01 years from date of issuance. (unofficial translation)

* PDF generated at 04:17 (UTC) on 22 Jan 2025. View this finding on the Sedex platform for live updates and closure details.

ZAF600759993

Non-compliance

Due 2024-11-22

Code area

3 Working conditions are safe and hygienic

Workplace requirement

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

Issue title

274 - Proper safeguards not used to prohibit unauthorised access/use of dangerous machinery (e.g. panels left open/keys left in forklift etc.)

Description

Based on facility visits during audit time it was identified that machine safety guard was found displaced from its proper position while working in linking located at 5th floor and sewing sections located at 4th floor of building 01 as follows:

(A) Randomly checked 07 out of 12 unattended linking machines were found without machine safety guard in linking section.

(B) Eye guard was found displaced with randomly checked 03 out of 05 of bartack sewing machines in sewing section.

Description (carried over)

Based on facility visits during audit time it was identified that machine safety guard was found displaced from its proper position while working in linking and sewing sections located at 5th floor of building 01 as follows:

(A) Randomly checked 05 out of 15 unattended linking machines were found without machine safety guard in linking section.

(B) Eye guard was found displaced with randomly checked 02 out of 08 of bartack sewing machines in sewing section.

Corrective and preventative actions

It is recommended that the facility management should provide effective training to the employees and ensure effective use of machine safety guards accordingly.

Status

Open*

Time given to resolve

30 days

Verification method

Desktop audit

Area of non-compliance/non-conformance

Local law

Base code

Corrective and preventative actions (carried over)

It is recommended that the facility management should provide effective training to the employees and ensure effective use of machine safety guards accordingly.

Local law reference

Bangladesh Labor Rules-2015, Rule 67 (2): (The concerned manufacturing institute must provide necessary equipment, including safety shoes, helmets, goggles, masks, hand gloves, earmuffs, ear plugs, waist belts, aprons etc. and arrange training programs for the workers in using these materials and ensure their usage.

Evidence

NC photo_Unattended linking machine found without safety guard..jpg
NC photo_Eye guard found displaced..jpg

* PDF generated at 04:17 (UTC) on 22 Jan 2025. View this finding on the Sedex platform for live updates and closure details.

ZAF600759994

Non-compliance | Due 2024-11-22

Code area

10.B Environment 4-Pillar

Workplace requirement

10.B.H Record energy use, water use, solid waste, material use, hazardous substance use and waste, and effluent discharge.

Issue title

980 - No/inadequate systems or records for solid waste use

Description

Based on facility visit during audit time it was identified that different kinds of wastage (fabric, paper, polythene and plastic) were kept without proper segregation in wastage store located at ground floor of building 01. Moreover, during floor visit ETP Sludge were found in open Sky without proper segregation.

Description (carried over)

Based on facility visit during audit time it was identified that different kinds of wastage (fabric, paper, polythene, plastic and empty chemical containers) were kept without proper segregation in wastage store located at ground floor of building 01 as well as outside of main gate 02.

Corrective and preventative actions

It is recommended that the facility should ensure proper segregation of the mentioned wastage and should keep all wastage in the designated area.

Corrective and preventative actions (carried over)

It is recommended that the facility should ensure proper segregation of the mentioned wastage and should keep all wastage in the designated area.

Local law reference

According to Labour Law 2006 (54): Disposal of wastes and effluents. Effective arrangements shall be taken in every establishment for disposal of wastes and effluents due to manufacturing process carried on therein.

Status

Open*

Time given to resolve

30 days

Verification method

Desktop audit

Area of non-compliance/non-conformance

Local law

Base code

Evidence

NC photo_Wastage area wasn't segregated..jpg

* PDF generated at 04:17 (UTC) on 22 Jan 2025. View this finding on the Sedex platform for live updates and closure details.

ZAF600759995

Non-compliance

Due 2024-11-22

Code area

3 Working conditions are safe and hygienic

Workplace requirement

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

Issue title

270 - No licence or inadequate experience/training of company/engineer providing machinery maintenance

Description

Based on documents review, workers & management interview it was noted that the facility has already recruited an additional boiler operator on 04 January 2025 to provide support in the absence of either of the boiler operators. Also note that required competency certificates of the both operators were available which were taken from the concerned authority.

Description (carried over)

Based on document review and site tour it was noted that facility management has employed a boiler operator to run and looking after the existing 01 boiler with a capacity of 942 Kg. However, in absence of the boiler operator, the boiler is operated by the people who do not have competency certificate to operator the boiler.

Corrective and preventative actions

The facility has already taken corrective & preventive actions.

Corrective and preventative actions (carried over)

It is recommended that the factory should have appointed adequate number of certified boiler operator as per law.

Local law reference

In accordance with Boiler Rules 1953-2-The boiler attendant shall be in charge of the boiler - No owner shall use the boiler himself or allow anyone else to use it except under the direct and constant supervision of a qualified and appropriate person referred to in Rule 3. (Unauthorized translation)

Status

Closed (2025-01-05)*

Time given to resolve

30 days

Verification method

Desktop audit

Area of non-compliance/non-conformance

Local law

Base code

* PDF generated at 04:17 (UTC) on 22 Jan 2025. View this finding on the Sedex platform for live updates and closure details.

ZAF600759996

Non-compliance

Due 2024-12-22

Code area

3 Working conditions are safe and hygienic

Status

Closed (2025-01-05)*

Workplace requirement

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

Issue title

230 - No material safety data sheet (MSDS) obtained/available

Description

Based on site tour it was noted that, the facility has already ensured proper MSDS for all chemical containers which were stored adjacent to ETP area at ground floor of building 4.

Description (carried over)

Based on site tour it was noted that, randomly checked 07 out of 15 chemical containers stored adjacent to ETP area at ground floor of building 4, found without MSDS.

Corrective and preventative actions

The facility has already taken corrective & preventive actions.

Corrective and preventative actions (carried over)

It is recommended that facility should ensure proper labeling, MSDS and secondary containment at the mentioned areas.

Local law reference

In accordance with Bangladesh Labour Rules 2015, Rule 68 (10): The owner shall place Material Safety Data Sheet (MSDS) of dangerous materials in an easily noticeable place so that the employed worker can be well informed about the possible hazards.

Evidence

NC Closure photo_MSDS Posted in the chemical store..jpg

Time given to resolve

60 days

Verification method

Desktop audit

Area of non-compliance/non-conformance

Local law

Base code

* PDF generated at 04:17 (UTC) on 22 Jan 2025. View this finding on the Sedex platform for live updates and closure details.

ZAF600759997

Non-compliance Due 2024-11-22

Code area

3 Working conditions are safe and hygienic

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.

Issue title

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

Description

Based on site tour, documents review, workers & management interview it was noted that the facility has already recruited a trained person for the childcare room who is responsible for taking care of the childcare room & children of the employees.

Status

Closed (2025-01-05)*

Time given to resolve

30 days

Verification method

Desktop audit

Area of non-compliance/non-conformance

Local law

Base code

Description (carried over)

Based on site tour, workers and management interview It was noted that the childcare room was not in the charge of any experienced or trained woman.

Corrective and preventative actions

The facility has already taken corrective & preventive actions accordingly.

Corrective and preventative actions (carried over)

It is recommended that the factory should keep the childcare room in the charge of experienced or trained woman.

Local law reference

In accordance with Bangladesh labor Law 2006, section 94 (2): 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 oversee experienced or trained woman.

* PDF generated at 04:17 (UTC) on 22 Jan 2025. View this finding on the Sedex platform for live updates and closure details.

ZAF600759998

Non-compliance

Due 2024-12-22

Code area

3 Working conditions are safe and hygienic

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.

Issue title

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

Description

Based on documents review, workers & management interview it was noted that the facility has 01 doctor & 02 medical assistants. Also note that 01 out of 02 medical assistants was responsible for providing services during night shifts. However, the facility doesn't have any nurse for their medical treatment room as per law requirements.

Description (carried over)

Based on site tour, workers review along with attendance record and personnel file review it was noted that the factory has ensured 01 full time doctor and 01 full time medical assistant who are available during general shift (that is 08:00 AM to 05:00 PM). However, they did not ensure a physician or at least a medical assistant for the night shift workers (a total of 150 employees working in knitting and washing sections at night shift).

Corrective and preventative actions

It is recommended that the factory management should recruit a nurse for their medical treatment room as per law requirement.

Status

Open*

Time given to resolve

60 days

Verification method

Desktop audit

Area of non-compliance/non-conformance

Local law

Base code

Corrective and preventative actions (carried over)

It is recommended that the factory management should take necessary action for available a physician at night for workers treatment.

Local law reference

In accordance with Bangladesh Labour Rules 2015, 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.

* PDF generated at 04:17 (UTC) on 22 Jan 2025. View this finding on the Sedex platform for live updates and closure details.

ZAF600759999

Non-compliance

Due 2024-12-22

Code area

5 Legal wages are paid

Workplace requirement

5.B Ensure that workers receive the insurances and benefits (including leave entitlements) they are legally or contractually entitled to.

Issue title

406 - Unable to verify wages due to missing/incomplete/inconsistent/innacurate records

Description

Based on working hour and wage payment record review, workers and management interviews on the day of the audit, it was noted that the actual working hour of the facility's all sections' employees (26 out of 26) including security guards were reflected in the workers' job card accordingly. Additionally, all payments including Overtime were paid on time accordingly which were verified from their salary sheet for all sample months (October 2024 & November 2024).

Status

Closed (2025-01-05)*

Time given to resolve

60 days

Verification method

Follow up audit

Area of non-compliance/non-conformance

Local law

Base code

Description (carried over)

Based on working hour and wage payment record review, workers and management interviews on the day of the audit, it was noted that a few information couldn't be verified for some of the workers as follows_

(A) On September 2024 (Peak Season Month):
a) 10 out of 42 workers have entered the facility 01 hour earlier than approved general shift (that is 08:00 AM) and leave the facility after doing 02 hours of overtime around 5 days in the month and payment have been provided considering only this 02 hours of overtime, thus couldn't be verified the actual scenario for early 01 hour of work and it's payment.

b) 01 out of 42 workers (that is security guard) have been found working with 02 hours of overtime on daily basis for 20 days, which leaves him entitled to pay for 40 hours of overtime, whereas he got no such payment for that. The approved working hour approval for security department is 03 shifts (08 hours of each), whereas the employees job card is showing 02 shifts (12 hours of each). Thus, it couldn't be verified why the security guard didn't get extra overtime payment. Noted that according to interview feedback, the security guard is working 3 shifts everyday.

(B) In the month of June 2024 (Peak Season Month):
01 out of 42 workers (that is security guard) have been found working with 02 hours of overtime on daily basis for 20 days, which leaves him entitled to pay for 40 hours of overtime, whereas he got no such payment for that. The approved working hour approval for security department is 03 shifts (08 hours of each), whereas the employees job card is showing 02 shifts (12 hours of each). Thus, it couldn't be verified why the security guard didn't get extra overtime payment. Noted that according to interview feedback, the security guard is working 3 shifts everyday.

(C) In the month of March 2024 (Off-Peak Season Month):
No designated manual or electronic job card can be provided by the facility management. Thus, it couldn't be verified with their actual salary, overtime and any other possible payments with facility provided wage records for such month.

Corrective and preventative actions

The facility has already taken corrective & preventive actions.

Corrective and preventative actions (carried over)

It is recommended that the factory would maintain consistency between its working hour record and wage payment record.

Local law reference

In accordance with Bangladesh Labor Law 2006, Section 102 (2): ((2) Subject to the provisions of section 108, an adult worker may work for more than 48 (forty-eight) hours also in a week: Provided that the total working hours of such worker shall not exceed 60 (sixty) hours in a week, and on the average 56 (fifty-six) hours per week in a year.

* PDF generated at 04:17 (UTC) on 22 Jan 2025. View this finding on the Sedex platform for live updates and closure details.

ZAF600760000

Non-compliance

Due 2024-12-22

Code area

6 Working hours are not excessive

Status

Closed (2025-01-05)*

Workplace requirement

6.A Ensure working hours do not exceed legal limits or limits in collective bargaining agreements, whichever gives more protection for workers.

Issue title

463 - Unable to verify working hours due to missing/ incomplete/ inconsistent records

Description

Based on working hour and wage payment record review, workers and management interviews on the day of the audit, it was noted that the actual working hour of the facility's all sections' employees (26 out of 26) including security guards were reflected in the workers' job card accordingly. Additionally, all payments including Overtime were paid on time accordingly which were verified from their salary sheet for all sample months (October 2024 & November 2024).

Description (carried over)

Based on working hour and wage payment record review, workers and management interviews on the day of the audit, it was noted that a few information couldn't be verified for some of the workers as follows_

(A) On September 2024 (Peak Season Month):
a) 10 out of 42 workers have entered the facility 01 hour earlier than approved general shift (that is 08:00 AM) and leave the facility after doing 02 hours of overtime around 5 days in the month and payment have been provided considering only this 02 hours of overtime, thus couldn't be verified the actual scenario for early 01 hour of work and it's payment.

b) 01 out of 42 workers (that is security guard) have been found working with 02 hours of overtime on daily basis for 20 days, which leaves him entitled to pay for 40 hours of overtime, whereas he got no such payment for that. The approved working hour approval for security department is 03 shifts (08 hours of each), whereas the employees job card is showing 02 shifts (12 hours of each). Thus, it couldn't be verified why the security guard didn't get extra overtime payment. Noted that according to interview feedback, the security guard is working 3 shifts everyday.

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(C) In the month of March 2024 (Off-Peak Season Month):
No designated manual or electronic job card can be provided by the facility management. Thus, it couldn't be verified with their actual salary, overtime and any other possible payments with facility provided wage records for such month.

Corrective and preventative actions

The facility has already taken corrective & preventive actions.

Corrective and preventative actions (carried over)

It is recommended that the factory would maintain consistency between its working hour record and wage payment record.

Local law reference

In accordance with Bangladesh Labor Law 2006, Section 102 (2): ((2) Subject to the provisions of section 108, an adult worker may work for more than 48 (forty-eight) hours also in a week: Provided that the total working hours of such worker shall not exceed 60 (sixty) hours in a week, and on the average 56 (fifty-six) hours per week in a year.

Time given to resolve

60 days

Verification method

Follow up audit

Area of non-compliance/non-conformance

Local law

Base code

* PDF generated at 04:17 (UTC) on 22 Jan 2025. View this finding on the Sedex platform for live updates and closure details.

ZAF600782476

Non-compliance

Due 2025-02-21

Code area
3 Working conditions are safe and hygienic

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

Issue title
207 - Isolated or partial occurrence of blocked fire exits causing an elevated but not significant risk

Description
Based on the facility visit during audit time it was identified that aisles way found partially blocked in the facility building 1 as follows:
- 04 out of 08 aisles found partially blocked by progress goods and working table in Linking, Trimming & Mending section in 5th Floor

Corrective and preventative actions
It's recommended that the facility should keep all the aisles free of all obstacles for a safe evacuation of the workers.

Local law reference
Bangladesh Labor Law 2006, Section-62(6): 62 (6) A free passageway giving access to each way of exit in case of fire shall be provided for the use of the workers in every room of the establishment.

Evidence
NC Photo-Aisles way found partially blocked.jpg

Status
Open*

Time given to resolve
30 days

Verification method
Desktop audit

Area of non-compliance/non-conformance
Local law
Base code

* PDF generated at 04:17 (UTC) on 22 Jan 2025. View this finding on the Sedex platform for live updates and closure details.

ZAF600782477

Non-compliance

Due 2025-02-21

Code area
3 Working conditions are safe and hygienic

Status
Open*

Workplace requirement

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

Time given to resolve

30 days

Issue title

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

Verification method

Desktop audit

Area of non-compliance/non-conformance

Local law

Base code

Description

Based on floor visit it was observed that, the workers of the following area weren't wearing proper Personal Protective Equipment (PPE).
-a) Randomly checked 03 out of 07 Washing Operator weren't wearing respiratory masks during operations at Washing Section located at Ground Floor of building 01.
-b) randomly checked 06 out of 12 workers weren't wearing ear plugs at Auto Knitting section located at 2nd and 3rd floor of building 01.
-c) randomly checked 05 out of 10 workers weren't wearing ear plugs at Winding section located at 7th floor of building 01.
-d) randomly checked 04 out of 08 workers weren't wearing mask at sewing section located at 4th floor of building 01.

Corrective and preventative actions

It's recommended that the facility should ensure proper training regarding PPE usage to the relevant employees.

Local law reference

Bangladesh Labour Rules 2015, Rule 67(2): In addition to the arrangement of safety and health protection measures mentioned in Sub-section (1), the concerned manufacturing institute must provide necessary equipment, including safety shoes, helmets, goggles, masks, hand gloves, earmuffs, ear plugs, waist belts, aprons etc. and arrange training programs for the workers in using these materials and ensure their usage.

Evidence

NC photo_Employee not wearing ear plug at Knitting section..jpg

* PDF generated at 04:17 (UTC) on 22 Jan 2025. View this finding on the Sedex platform for live updates and closure details.

ZAF600782478

Non-compliance

Due 2025-02-21

Code area

3 Working conditions are safe and hygienic

Status

Open*

Workplace requirement

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

Issue title

215 - Evacuation plan not adequately communicated to workers

Description

Based on the site tour & posted evacuation plan review it was noted that there was a mismatched found between facility's posted evacuation plan & actual floor operations where, as per posted evacuation plan there was a Stock Yarn in 7th Floor in Building 01. However, practically that area was found occupied by Winding, Bonded Warehouse, Yarn Controller room, Yarn Inspection room, Accessories Store located.

Corrective and preventative actions

It is recommended that facility should ensure existing floor situation matches with evacuation plan and floor layout in the mentioned areas.

Local law reference

Bangladesh Labour Rules 2015, Rule 55 (8): The arrangement should be made to show evacuation plan of exit in one or more places easily visible in each floor of each floor of the factory.

Time given to resolve

30 days

Verification method

Desktop audit

Area of non-compliance/non-conformance

Local law

Base code

* PDF generated at 04:17 (UTC) on 22 Jan 2025. View this finding on the Sedex platform for live updates and closure details.

ZAF600782479

Non-compliance

Due 2025-02-21

Code area

3 Working conditions are safe and hygienic

Workplace requirement

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

Issue title

235 - Legally required chemical licence expired/not in place including any reporting to government bodies on list of hazardous chemicals on site

Description

Based on site tour & documents review it was noted that the Explosive License (For Diesel usage; Capacity: 6,200 L) of the facility has been expired on 31 December 2024. Note that the facility has already applied for the renewal to the concerned authority on 12 December 2024.

Corrective and preventative actions

It's recommended that the facility should obtain an updated explosive license from the concerned authority.

Status

Open*

Time given to resolve

30 days

Verification method

Desktop audit

Area of non-compliance/non-conformance

Local law

Base code

Local law reference

Bangladesh Petroleum Act 2016; 6 (1): Notwithstanding anything contained in this Chapter, no licence shall be required in the following circumstances, namely: (a) transport or storage of class II and class III petroleum not exceeding 2000 (two thousand) liters : Provided that such petroleum shall be contained in receptacles of 1000 (one thousand) liters or less in capacity;

* PDF generated at 04:17 (UTC) on 22 Jan 2025. View this finding on the Sedex platform for live updates and closure details.

ZAF600782480

Non-compliance

Due 2025-02-21

Code area

10.A Environment 2-Pillar

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.

Issue title

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

Description

Based on documents review it was noted that the Environment Clearance Certificate (ECC) (Certificate no# 22-90126; Category: Orange B) of the facility (For Sweater Process & Washing) has been expired on 26 August 2023. However, the facility has already applied for the renewal to concerned authority on 02 January 2024.

Corrective and preventative actions

It's recommended that the facility should obtain an updated ECC for their Sweater & Washing process from the concerned authority.

Local law reference

Environmental Conservation Rule-2023, Rule 20 (3): In case of expiry of orange and red class industrial establishment or project location clearance or environmental clearance, it shall be 1 (one) year from the date of issue which shall be renewable at intervals of 1 (one) year.

Status

Open*

Time given to resolve

30 days

Verification method

Desktop audit

Area of non-compliance/non-conformance

Local law

Base code

* PDF generated at 04:17 (UTC) on 22 Jan 2025. View this finding on the Sedex platform for live updates and closure details.

ZAF600782481

Non-compliance

Due 2025-02-21

Code area

5 Legal wages are paid

Status

Open*

Workplace requirement

5.B Ensure that workers receive the insurances and benefits (including leave entitlements) they are legally or contractually entitled to.

Issue title

425 - Failure to retain records of all required social insurances

Description

It was noted through the documents review and management interview that the group insurance certificate of the factory found expired on 31 December 2024. Note that the facility has already applied to the concerned authority for the renewal on 02 January 2025.

Corrective and preventative actions

It is recommended that the facility should collected the updated group insurance certificate from the concern authority.

Local law reference

Labor Act 2006, Section 99. Introduction of compulsory group insurance.(1) In an establishment where at least 100 (one hundred) permanent workers are employed, the employer shall introduce group insurance under the existing insurance laws.

Time given to resolve

30 days

Verification method

Desktop audit

Area of non-compliance/non-conformance

Local law

Base code

* PDF generated at 04:17 (UTC) on 22 Jan 2025. View this finding on the Sedex platform for live updates and closure details.

ZAF600782482

Non-compliance

Due 2025-03-23

Code area

3 Working conditions are safe and hygienic

Workplace requirement

3.R Provide clean and secure toilets, wash areas, and worker changing facilities, with adequate hygiene supplies separated by gender or with effective privacy. Ensure potable water is easily accessible by workers and, where appropriate, clean storage facilities for food and personal belongings.

Issue title

336 - Canteen provided is insufficient to meet legal requirements and/or worker needs

Description

Based on site tour & management interview it was observed that, the factory didn't have any functional canteen having required facilities.

Corrective and preventative actions

It's recommended that the facility should arrange a canteen having all required facilities as per law.

Status

Open*

Time given to resolve

60 days

Verification method

Desktop audit

Area of non-compliance/non-conformance

Local law

Base code

Local law reference

Bangladesh Labor Rules 2015, Rule 88 (1-6):

1) Adequate number of utensils, spoons, furniture
and other instruments has to be kept in the canteen for well management.
2) Special clothes have to be arranged for the caterers and workers of the canteen and the clothes have to kept neat and clean.
3) Furniture, utensils and other instruments have to be kept clean and the same has to maintained in hygienic way.
4) All types of food items have to be preserved and served in such a way so that the food items cannot be polluted or come in contact with mosquito, flies and dusts.
5) If there is an arrangement of service counters in canteens, the surface of it must be smooth and the counter shall be made of impervious materials.
6) There has to be appropriate arrangements for washing utensils and other instruments in addition to the supply of hot water in it.

Evidence

NC photo_Canteen was found non-functional..jpg

* PDF generated at 04:17 (UTC) on 22 Jan 2025. View this finding on the Sedex platform for live updates and closure details.

Findings: good examples

No good examples

Management systems

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

✗ Not addressed

⚠ Fundamental improvements required

ⓘ Some improvements recommended

✓ Robust management systems

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

Not addressed

Fundamental improvements required

Some improvements recommended

Robust management systems

Guidance

The Corrective Action Plan Report summarises the site audit findings and a corrective, and preventative action plan that both the auditor and the site manager believe is reasonable to ensure conformity with the ETI Base Code, Local Laws and additional audited requirements. After the initial audit, the form is used to re-record actions taken and to categorise the status of the non-compliances/ non-conformances.

Good practice examples should be pointed out at the closing meeting as well as discussing non-compliances/ non-conformances and corrective actions, Collaborative Action Required findings and the Management Systems Assessment.

Next steps:

1. The site shall request, via Sedex, that the audit body upload the audit report, NCs, CARs, MSA and good examples. If you have not already received instructions on how to do this then please visit the Sedex Members' E-learning Platform.
2. Sites shall action its NCs and document its progress via Sedex.
3. Once the site has effectively progressed through its actions then it shall request that the audit body verify its actions. Please visit Sedex Members' E-learning Platform for information on how to do this.
4. The audit body shall verify corrective actions taken by the site by either a "Desk-Top" review process via the Sedex Platform or by Follow-up Audit.
5. Some NCs that cannot be closed off by "Desk-Top" review may need to be closed off via a "Follow Up Audit" charged at normal fee rates. If this is the case, then the site will be notified after its submission of documentary evidence relating to that NC. Any follow-up audit must take place within twelve months of the previous initial/periodic audit and the information from the previous audit must be available for sign off of corrective action.
6. For changes to wages and hours to be correctly verified it will normally require a follow up site visit. Auditors will generally require to see a minimum of two months wages and hours records, showing new rates in order to confirm changes (note some clients may ask for a longer period, if in doubt please check with the client).
7. The site shall develop and share with Sedex an action plan to work on CAR findings, and take actions to work on these areas as identified.

8. The site should use the MSA gradings to help to improve internal systems, focusing where their systems are weakest and the risks of harm are highest. These actions should better prepare them for future audits and help sustain compliance.

Management Systems Assessment (MSA)

A management system is defined as a comprehensive framework comprising of processes, policies, procedures, and tools that are strategically designed and implemented within a business to plan, organise, execute, monitor, and continuously improve its activities. Management systems are the systems that underpin how a company runs its day-to-day operations, makes decisions, and helps avoid the recurrence of common problems.

Where management systems are weak a site is at higher risk of non-compliance over time, the SMETA MSA can help sites to proactively reduce the likelihood of risks occurring. Sites should take actions commensurate with their size and resources, focusing on where their systems are weakest and the likelihood of risks is highest, based on their sector, location and workforce profile.

The MSA Grades do not result in NCs, and will not be re-assessed in follow-up audits.

For more information on Management Systems please refer to the Management Systems Workbooks.

Collaborative Action Required

The SMETA Workplace Requirements identify certain specific issues where a site may not meet the Base Code, but the usual mechanisms of NC verification and closure are not appropriate, for some or all of the following reasons;

- The audited party does not have the capacity/ responsibility to close the issue without support from other relevant stakeholders, such as commercial partners/buyers.
- Remediation of the issue requires an indeterminate and possibly extended timeframe, rather than a predetermined deadline as set within the Sedex platform.
- There is a risk of adverse consequences if closure of a particular issue is not approached with due consideration and time provided for adequate risk assessment.
- Evidencing effective remediation is complex and it is outside the capacity of existing SMETA methodology to validate through evidence provided during an onsite assessment alone.

These specific WRs have a Collaborative Action Required (CAR) finding raised against them.

Collaborative Action Required findings require a different way of working from other NCs for buyer and supplier members. The activities required to close these issues may involve actions from both buyers and suppliers, as well as additional stakeholders such as third-party labour providers, impacted workers, local NGOs, and trade unions. Due to the complexity of the issues and the spectrum of potential stakeholders that may need to act, CARs may need long-term closure plans, potentially spanning multiple years. To facilitate a longer-term approach and to reduce the likelihood of undue pressure on suppliers to close issues that may be out of their control, Sedex does not prescribe a closure date nor a verification methodology for these findings. Sedex encourages all its members to work collaboratively and responsibly on these issue areas, sharing responsibilities and actions as appropriate.

When developing a methodology to prioritise action on these more complex areas, Sedex recommends following a due diligence process and prioritising activities based on the most salient risks.

For Suppliers

Where CARs are raised suppliers should create an action plan for how they are going to address these areas. Sedex also recommends suppliers reach out to their buying partners to understand their expectations on these issues and start a constructive dialogue. The action plans can be uploaded on to the Sedex platform, which will change the status of the CAR finding from “open” to “in progress”. Management and assessment of action plans is encouraged as an activity between linked buyer and supplier members.

For Buyers

Where CARs are raised buyer members should prioritise resolution of these issues based on a salient risk approach. Buyers should assess their own roles and responsibilities in the closure of these findings, especially considering any increased financial costs and how these may relate to the buyers own purchasing practices. Buyers should work with suppliers to ensure that closure plans are realistic, taking a long-term approach to improvement where it is necessary, and working with multi-stakeholder initiatives, NGOs, Trade Unions and other third parties to address these issues, which may be widespread. In the interests of enabling transparency, collaboration and long-term effective remediation, the application of commercial penalty against suppliers where these issues are identified and action plans are in place is not encouraged.

For Auditors

Auditors will assess whether the CARs are met through the SMETA audit process and raise the findings where relevant. Auditors will not assess the action plans shared or provide guidance on closure methodology, due to the limitations of assessing scope and responsibilities through a supplier site assessment alone. CAR findings will be superseded and closed in periodic audits. The auditor will assess the Workplace Requirements anew and raise a CAR in following audits until there is no longer a finding to raise.

For more information visit https://www.sedex.com