

Monitored Party <b>Maruhisa Pacific Co.Ltd</b>	amfori ID <b>050-001816-000</b>	Address <b>Plot No-118-121, Adamjee Export Processing Zone, Shiddirgonj, Narayangonj., Narayangonj, Dhaka, Bangladesh</b>
Monitoring Activity <b>amfori Social Audit - Manufacturing</b>	Monitoring Type <b>Full Monitoring</b>	Monitoring Partner <b>Intertek</b>
Monitoring Start Date <b>28/02/2024</b>	Closing Meeting Finished Date <b>12/03/2024</b>	Submission Date <b>12/03/2024</b>
Expiration Date <b>12/03/2025</b>	Announcement Type <b>Semi Announced</b>	
Site <b>Site 1</b>	Site amfori ID <b>050-001816-001</b>	

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## OVERALL RATING



## SECTION RATING

PA1: Social Management System	<b>C</b>	
PA 2: Workers Involvement and Protection	<b>B</b>	
PA 3: The Rights of Freedom of Association and Collective Bargaining	<b>A</b>	
PA 4: No Discrimination, Violence or Harassment	<b>C</b>	
PA 5: Fair Remuneration	<b>C</b>	
PA 6: Decent Working Hours	<b>A</b>	

PA 7: Occupational Health and Safety	<b>D</b>	
PA 8: No Child Labour	<b>A</b>	
PA 9: Special Protection for Young Workers	<b>A</b>	
PA 10: No Precarious Employment	<b>A</b>	
PA 11: No Bonded, Forced Labour or Human Trafficking	<b>A</b>	
PA 12: Protection of the Environment	<b>B</b>	
PA 13: Ethical Business Behaviour	<b>A</b>	

## GENERAL DESCRIPTION

Lead Auditor: Umme Hunny Tabassum-CSCA21705348

Team Auditor: Akter Hossain- CSCA21700574, Mohammad Salah Uddin- ASCA21701405, A F M Amin Sharif- ASCA21703440, and Nasrin Sultana Munny - ASCA21703703

Monitoring partner: ITS Labtest Bangladesh Ltd.

This is a Full audit conducted in one day (28 February 2024). 05 auditors on the day of the audit verified the facility's operations against the amfori BSCI Code of Conduct and local legislation. Note, that 4.5 man-days were spent on-site, and 0.5 man-days were assigned for offsite reporting.

The audit was Semi-announced.

Maruhisa Pacific Co.Ltd. is a 100% export-oriented readymade knit garments manufacturer located at Plot # 118-121, AEPZ, Shiddirgonj, Narayangonj, Bangladesh. BEPZ (Bangladesh Export Processing Zone) allotment number- IP: PJT-AEPZ-80/734. The facility started its operation in March 2010 at its current location. The total structural area occupied by the facility is about 358,801 square feet, including the production area, warehouse area, and office area. The main production processes were Knitting, Dyeing, Cutting, Printing, Sewing, and Finishing. As per facility management, the factory has no peak/off-peak season in terms of production. The total production capacity is 800000 pieces monthly.

The audited facility was owned by the facility owner and occupied 06 buildings and 05 sheds. Details are in the attachment section.

There was 01 general shift for management staff, Printing and cutting to pack, and production sections (07:30 am to 04:30 pm). The weekly holiday is Friday.

There were 02 shifts (08:00 am to 05:00 pm, 08:00 pm to 05:00 am) for the knitting & Dyeing section (no female at night). Including a 01-hour break for a meal or rest. the weekly holiday is Friday.

There were 03 shifts (06:00 am to 02:00 pm, 02:00 pm to 10:00 pm, and 10:00 pm to 06:00 am) for the security section (no female at night). Including a 01-hour break for a meal or rest. Rotation basis 01-day weekly holiday.

17 Pregnant, 02 disabled, and 420 domestically migrant workers were found during the audit and their working hours were the same as other workers. or young worker was found during audit time.

The factory uses an electronic facial timekeeping system to record daily attendance.

All employees were recruited directly for permanent positions. 100 % of them receive wages monthly in local currency (digital banking). Monthly wage payments are within 7 working days of the following month.

The total no. of workers was 1982 (1288 were male and 694 were female) as per active payroll. The total number of production and non-management workers was 1957 (1272 were female and the rest were male).

The total sample size is 35 within the audit scope of February 2023 to January 2024.

Good practices: None.

The facility formed a participation committee through selection on 27 August 2023. The current committee has total 16 members where 08 are from employees side. The last meeting was on 16 January 2024.

There was no special circumstance during the audit.

Improvement areas were identified in PA 1, PA 2, PA 4, PA 5, PA 7, PA 10, PA 12 and PA 13. For PA 3, PA 6, PA 8, PA 9, and PA 11 non-conformity was not noted. A summary of PA areas is given below:

PA 1 (Social Management System):

Though facility management implemented many points as per amfori BSCI requirements. But, still, there are some improvement points.

PA 2 (Workers Involvement and Protection):

Management has developed a vision, mission, and objectives. Also, need to define a long-term goal in line with BSCI. The

grievance register was regularly updated. However, the grievance handling procedure needs to be updated.

PA 3 (The Rights of Freedom of Association and Collective Bargaining):

The facility has policy and procedure. They have an effective Elected Worker's Participating Committee, and they sit with the top management at regular intervals on various issues.

PA 4 (No Discrimination, Violence or Harassment):

Have adopted policies and procedures on discrimination. An internal assessment must be conducted in line with BSCI requirements to continue operations in compliance. However, Attention was given to avoiding discrimination.

PA 5 (Fair Remuneration):

The living wage was yet to be ensured for all. Facility management ensures minimum wage, overtime wage as a legal requirement, different types of leave, and other benefits.

PA 6 (Decent Working Hour):

The facility was maintaining working hours under legal. The daily working hours were found to be 8 hours. Sometimes there are 2 hours of overtime. Consent from the workers was taken before doing overtime.

PA 7 (Occupational Health and Safety):

A good level of health & and safety system is being developed including implementation. Under this PA more improvements are required in terms of the use of machine guards, updating generator licenses etc.

PA 8 (No Child Labor):

Management preserves copies of Birth Certificates, Educational Certificates, and National ID cards in each worker's file for better verification of their age. Further, has developed a child labor policy and remediation policy. The youngest age at the site was found 19.

PA 9 (Special Protection for Young Workers):

Has a robust recruitment procedure and policies. The production process in the facility allows only adult laborers, and all the employees recruited here are over 18 years old.

PA 10 (No Precarious Employment):

Facility management is maintaining this PA maximum in compliance. The required documentation is maintained for all levels of people. However, Nominee forms, ID cards need to be better maintained.

PA 11 (No Bonded, Forced Labour or Human Trafficking):

The facility has a robust recruitment procedure and policies against No Bonded Labor. The facility did not keep any original documentation from workers.

PA 12 (Protection of the Environment):

Environmental policy and procedures are up to date. All applicable valid legal permits for environmental aspects were in place. However, they need to be more cautious regarding the harvesting of natural water.

PA 13 (Ethical Business Behavior):

The facility management has developed an Anti-Corruption Policy. However, it was not communicated with relevant people and parties. Also, the facility management needs to identify the potential areas of corruption and possible solutions to mitigate anti-corruption issues.

#Living wage is written following the Global Living Wage Calculation (GLWC) website.

Higher, lowest, and average wages found in the sample were TK 22114, TK 12830, and TK 17472 respectively.

The below documents do not apply to this facility as the facility has no such activity which requires the same by law:

- Contractor license/permit
- Government waivers
- Structural/stability license
- Collective bargaining agreements.

The below pictures are also not attached as not applicable to this facility.

- Dormitories
- High-risk health and safety areas
- Inconsistencies between time and production records.

Note 1:

Through management & worker interviews & site tours, the audit team informed & cross-checked the facility management initiatives on the S4C program. The management acknowledged and as per their statement, they'll take proper initiative

through awareness sessions and providing flyers & posters within premises with the auditee's amfori ID & grievance channel information.

Note 2: During audit time 1925 was found present. The rest were planned for the night shift, few were absent and on leave.

Note 3: : The name of one auditor is different in APSCA format (Umme HunnyTabassum) compared to amfori BSCI platform due to misalignment. Communication is on going with BSCI to make align with APSCA.

## SITE DETAILS

Site  
**Site 1**

Site amfori ID  
**050-001816-001**

### GICS Classification

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Sector <b>Industrials</b>	Industry Group <b>Capital Goods</b>	Industry <b>Industrial Conglomerates</b>
Sub Industry <b>Industrial Conglomerates</b>		

### amfori Process Classifications

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N.A.

### GS1 Classifications

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N.A.

### NACE Classification

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N.A.

### Water Stress Situation

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N.A.

## METRICS

### Key Metrics

Total workforce	1,925	Workers
Legal minimum wage in local currency	12,800	Monthly
Lowest wage paid for regular work at the site	12,800	Monthly
Calculated living wage in local currency	21,091	Monthly
Total sample	35	Workers

### Other Metrics

Male workers	1,251	Workers
Female workers	674	Workers
Non-binary workers	0	Workers
Permanent workers - Male	1,288	Workers
Permanent workers - Female	694	Workers
Permanent workers - Non-binary	0	Workers
Temporary workers - Male	0	Workers
Temporary workers - Female	0	Workers
Temporary workers - Non-binary	0	Workers
Seasonal workers - Male	0	Workers
Seasonal workers - Female	0	Workers
Seasonal workers - Non-binary	0	Workers
Management - Male	5	Workers
Management - Female	1	Workers
Management - Non-binary	0	Workers
Apprentices - Male	0	Workers
Apprentices - Female	0	Workers
Apprentices - Non-binary	0	Workers
Workers on probation - Male	230	Workers
Workers on probation - Female	321	Workers
Workers on probation - Non-binary	0	Workers
Workers with night shift - Male	600	Workers
Workers with night shift - Female	0	Workers
Workers with night shift - Non-binary	0	Workers
Workers with disabilities - Male	2	Workers
Workers with disabilities - Female	0	Workers
Workers with disabilities - Non-binary	0	Workers
Domestic migrant workers - Male	200	Workers
Domestic migrant workers - Female	220	Workers
Domestic migrant workers - Non-binary	0	Workers
Foreign migrant workers - Male	0	Workers

Foreign migrant workers - Female	0	Workers
Foreign migrant workers - Non-binary	0	Workers
Workers hired directly - Male	1,258	Workers
Workers hired directly - Female	663	Workers
Workers hired directly - Non-binary	0	Workers
Workers hired indirectly - Male	30	Workers
Workers hired indirectly - Female	31	Workers
Workers hired indirectly - Non-binary	0	Workers
Unionised workers - Male	0	Workers
Unionised workers - Female	0	Workers
Unionised workers - Non-binary	0	Workers
Workers under CBA - Male	0	Workers
Workers under CBA - Female	0	Workers
Workers under CBA - Non-binary	0	Workers
Pregnant workers	17	Workers
Workers on parental leave - Male	0	Workers
Workers on parental leave - Female	9	Workers
Workers on parental leave - Non-binary	0	Workers
Sample - Male	15	Workers
Sample - Female	20	Workers
Sample - Non-binary	0	Workers



# FINDINGS



## PA1: Social Management System

Site: Site 1 | Site amfori ID: 050-001816-001

**Question:** 1.1 Is there satisfactory evidence that the auditee has set up an effective management system to implement the amfori BSCI Code of Conduct?

### ENGLISH

#### Finding

In accordance with amfori BSCI Code of Conduct PA 1 (Social Management System) Adopt and publicly communicate a written human rights policy statement, in line with the complexity and size of operations, approved at the most senior level. Implement a process- and risk-based due diligence management system in their business practices in line with the UNGPs, and adjust to the business model of the company. The expectations set in this Code of Conduct should be embedded in the system.

Findings: Based on the site tour, document review, and interviews during the audit it was noted that the established management system of the facility needs some improvement in implementing BSCI Code of Conduct in their business practice in a few performance areas.

Note: As the auditee has other effective systems, policies, and procedures in place to implement the BSCI COC in its business practice, a partial rating is given at this checkpoint.

**Question:** 1.3 Is there satisfactory evidence that the auditee has identified their significant business partners and their level of alignment with the amfori BSCI Code of Conduct?

### ENGLISH

#### Finding

In accordance with BSCI Performance Area 1 (Social Management System and Cascade Effect) No. Implement a process- and risk-based due diligence management system in their business practices in line with the UNGPs, and adjusted to the business model of the company. The expectations set in this Code of Conduct should be embedded in the system, Actively communicate their endorsement of the amfori BSCI Code of Conduct through all the functions in their company, as well as to their business partners and relevant stakeholders.

Finding: It was noted that, a) facility has supplier selection policy and they also have listed all their significant business partners but there is no proper procedure to handle the complaint raised by the business partners also the facility management has not shared and acknowledged external grievance procedure with any of their sub-suppliers.

b) The facility management has not monitored randomly checked 10 out of 30 suppliers' social performance as per BSCI code of conduct.

c) facility was maintaining a manual time recording system for agency workers where all "IN" and "OUT" time were uniform (e.g. In 06:00 am and out 02:00 pm) and it does conflict with actual "IN" and "OUT" time of employees. However, the facility provided sampled months' payroll records with employee signatures and those were consistent with other documents.

Further to add the auditee has hired 61 security guards and cleaners from agency.

### Finding

Note: The facility has documented partial information for business partners, has a policy and procedure for supplier selection, so partial rating is given in this checkpoint.

## PA 2: Workers Involvement and Protection

Site: Site 1 | Site amfori ID: 050-001816-001

**Question:** 2.2 Is there satisfactory evidence that the auditee defines long-term goals for protecting workers in line with the aspirations of the amfori BSCI Code of Conduct?

### ENGLISH

#### Finding

In accordance with amfori BSCI Code of Conduct PA 2 (Workers Involvement & Protection) Define Longterm goals to protect workers in line with the aspirations of the amfori BSCI Code of Conduct.

Finding:

Based on the document review, management, and workers' interview it was noted that the auditee has defined their mission and vision, however, the long-term goal was not in line with amfori expectations as the goal did not reflect a step-by-step approach toward sustainable improvement.

Note: The facility has other social practices in place, so a partial rating is given at this checkpoint.

**Question:** 2.5 Is there satisfactory evidence that the auditee has established, or participates in, an effective operational-level grievance mechanism for individuals and communities?

### ENGLISH

#### Finding

In accordance with BSCI Performance Area 2 (Workers Involvement and Protection): Establish or participate in effective operational-level grievance mechanisms for individuals and communities who may be adversely impacted, and maintain accurate records. The operational-level grievance mechanism must be in line with UNGP Article 31. Where relevant (e.g. when a migrant worker population is present), the operational-level grievance mechanism should be accessible in relevant local languages, and should allow to address and remedy the issues effectively across jurisdictions through partnerships and coordination.

Finding: Based on document review, and management interviews it was noted that the grievance lodged in the grievance register didn't include the information of Further investigation needed or not, the hearing of the parties, the Conclusion reached and accepted by both parties, the Involvement of the worker's representative, etc.

Note: The facility has other conventional industry practices, policies, and procedures to establish grievance mechanisms, so a partial rating is given in this section.

## PA 4: No Discrimination, Violence or Harassment

Site: Site 1 | Site amfori ID: 050-001816-001

**Question:** 4.1 CRUCIAL: Is there satisfactory evidence that the auditee takes the necessary measures to avoid or eradicate discrimination in the workplace?

**ENGLISH**

**Finding**

In accordance with amfori BSCI Code of Conduct PA 4 (No Discrimination, Violence or Harassment) Understand the possible grounds for discrimination in their specific context, and not discriminate or exclude persons based on sex, gender, age, religion, race, caste, birth, social background, disability, ethnic and national origin, nationality, membership in unions or any other legitimated organizations, political affiliation or opinions, sexual orientation, family responsibilities, marital status, pregnancy, diseases, or any other condition that could give rise to discrimination.

Findings: Based on document review, and management interviews during the audit, it was noted that the auditee has conducted internal assessment on some frequent grounds used for discrimination as well as the most common activities through which discrimination may arise, but few other common grounds / activities like firing, daily work activities, paying social benefits, overtime allocation, to avoid discrimination against vulnerable groups like disabled workers, pregnant women. Also, they did not identify the root cause of discriminatory behaviors.

Note: As the auditee has a discrimination policy, so partial rating is given in this checkpoint.

**PA 5: Fair Remuneration**

Site: Site 1 | Site amfori ID: 050-001816-001

**Question:** 5.1 CRUCIAL: Is there satisfactory evidence that the auditee complies with the government's minimum wage legislation or the industry standard approved through collective bargaining?

**ENGLISH**

**Finding**

In accordance with Minimum wage and other benefits for the workers of the enterprises in EPZs under BEPZ 2018 (27 November 2018), Condition III: (50% of the workers of every enterprise must get 10 % increment and the remaining workers shall not get less than 5%)

Finding: Based on the wage sheet review, increment list, management, and worker interviews it was noted that, at least 50% of total workers did not receive a minimum 10 % increment annually. A total of 1192 workers received an annual increment in the last 12 months but 503 of 1192 workers received a minimum 10% increment which was around 42 % who received an increment over the last one year.

Note: As the facility is providing increments to workers, so partial rating is given in this section.

**Question:** 5.4 Is there satisfactory evidence that the auditee provides sufficient remuneration that allows workers to meet a decent standard of living?

**ENGLISH**

### Finding

In accordance with amfori BSCI Code of Conduct PA 5 (Fair Remuneration) Assess the pay gap accurately, and work progressively towards the payment of a living wage that is sufficient to afford a decent standard of living for the workers and their families.

Findings: Based on Document review, management, and worker interviews during audit time, it was noted that the factory management has taken some initiative to calculate living wages, but no action plan is in place to fill up the gap between the present local minimum wage and a living wage. Though they are ensuring minimum wage as per law.

Note: As the auditee has calculated the living wage, so partial rating is given at this checkpoint.

**Question:** 5.5 Is there satisfactory evidence that the auditee provides workers with the social benefits that are legally granted without negative impact on their pay, level of seniority, position, or promotion prospects?

### ENGLISH

### Finding

In accordance with EPZ Labor law 2019 section 32 : ( Amount of maternity benefit. (1) The maternity benefit which is payable under this Act shall be paid at the rate of daily, weekly or monthly average wages, where which is applicable, calculated in the manner laid down in sub-section (2), and such payment shall be made wholly in cash. (2) For the purpose of sub-section (1), the daily, weekly or monthly average wages shall be calculated by dividing the total wages earned by the concerned female worker during 3 (three) months immediately preceding the date on which she gives notice under this Chapter by the number of days she actually worked during that period and that shall be fixed as her daily wages.)

Finding: Based on maternity record review and interview it was noted that, the facility management is calculating maternity benefits on net wages (after deduction of provident fund amount) instead of total actual earnings excluding earned leave encashment and festival bonus e.g. total income of one illegible worker over last three months was BDT 66001, but the facility considers BDT 63043 and due the same the worker being paid less benefits.

Note: As the facility is providing other benefits accordingly, so partial rating is given in this section.

## PA 7: Occupational Health and Safety

Site: Site 1 | Site amfori ID: 050-001816-001

**Question:** 7.10 Is there satisfactory evidence that the auditee has and properly uses procedures and systems for reporting and recording occupational accidents and injuries?

### ENGLISH

### Finding

In accordance with the Bangladesh EPZ Labor Rules 2022, Rule 95(1): The employer shall send to the Additional Chief Inspector a copy of the entries in the register within 15 (fifteen) days following the following of the 31st day of December in each year. (translated from Bengali and official translation in English is not available yet).

Finding: Based on document review and management interview during the audit it was noted that the auditee did not send a copy of the entries in the injury register within 15 (fifteen) days following the 31st

## Finding

day of December in each year to the additional chief Inspector.

Note: The facility is maintained major injuries, so a partial rating is given in this section.

**Question:** 7.11 Is there satisfactory evidence that the auditee confirms that the equipment and buildings used for production are stable and safe?

## ENGLISH

### Finding

In accordance with Bangladesh Energy Regulatory Commission Act, 2003-Section 27(a) (1) 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.).

Findings: Based on document review and management interview it was noted that the facility has 2 generators having the capacity to produce 1.210 MW (770KW+440 KW), but the captive power plant certificate was found expired during the audit day as it was found to valid till 29 December 2023. Note that, the facility applied to the concerned authority on 20 November 2023 for the license but did not receive the same till the day of the audit.

Note: As the facility management maintained all other updated licenses and permissions as per requirement, so partial rating was given to this checkpoint.

**Question:** 7.17 Is there satisfactory evidence that the auditee ensures adequate safeguards for any machine part, function, or process which may cause injury to workers?

## ENGLISH

### Finding

In accordance with Bangladesh EPZ Labour Act 2019, Section 35(3)(C): Health and safety related general rules.

(3) The Authority shall ensure the following matters relating to health and safety, by regulations, in the enterprises

(c) to take precautionary measures and to protect eyes from the fencing of machinery, work on or near machinery in motion, striking gear and devices for cutting off power supply, cranes and other lifting machinery, hoist and lift, revolving machinery, pressure plant, excessive weights, explosive or inflammable gas, dust, smoke, etc.

Finding:

Based on facility visit during audit time it was identified that safety guard of machine found displaced from its proper position while working in the sewing section located on 1st & 2nd floors of building 1 and on 3rd & 4th floors of building 2 as follows:

(A) Needle guard was found displaced from its proper position with approximately 10% of sewing machines.

As per the statement of facility management there were approximately 300 sewing machines in operation on the production floor.

## Finding

(B) Eye guard was found displaced from its proper position with approximately 10% of overlock, and flat lock machines in sewing section.

As per the statement of facility management there were approximately 320 overlock and 130 flat lock machines in operation on the production floors.

c) safety barrier was not found for 1 air compressor located on 1st floor (South-West side) of building 2.

Note:

As facility management has ensured safety guard for all the machines to avoid potential injury, so partial rating was given to this checkpoint.

**Question: 7.18 CRUCIAL:** Is there satisfactory evidence that the auditee ensures qualified first-aid is available at all times?

## ENGLISH

### Finding

In accordance with Bangladesh EPZ Labor Rules 2022, Rule 44: At least one registered Physician shall be in each factory with the facility of dispensary where more than 300 workers are working. Additionally, at least one trained compounder or medical assistant, nurse and subordinate employee shall be employed to help him/her.

Findings:

Based on facility visit and interviews with management and worker during audit time it was identified that the facility management did not appoint any Registered Physician. Moreover, no medical personnel are available for night shift employees.

However, the facility management has appointed 1 Nurse and 1 medical assistant for the first aid treatment.

Note:

As facility management has an agreement with BEPZA Hospital for the treatment facilities, so partial rating was given to this checkpoint.

**Question: 7.21** Is there satisfactory evidence that the auditee provides workers with access to an appropriate, clean area for storing food, eating and/or cooking?

## ENGLISH

### Finding

In accordance with Bangladesh EPZ Labor Rules 2022, Rule 58(1): Canteen (1) In order to fulfill the purpose of Section 35(2)(j) of the Act, the owner of the establishment which generally employs more than 100 (one hundred) workers shall provide a canteen with accommodation facilities for at least ten percent of the total workers employed in the establishment:

Finding:

Based on facility visits and interviews with management & workers during audit time it was identified that

## Finding

the canteen for employees to have light snacks was not arranged. However, dining area was found provided for the employees. During the audit, a total of 1982 employees was appointed in the facility.

### Note:

As facility management has provided a dining area for the workers to have their lunch, so partial rating was given to this checkpoint.

## PA 10: No Precarious Employment

Site: Site 1 | Site amfori ID: 050-001816-001

**Question:** 10.2 Is there satisfactory evidence that the auditee engages workers based on recognised and documented employment relationships?

## ENGLISH

### Finding

In accordance with

A) Bangladesh EPZ Labor Rules 2022, Rule 125: Unpaid wages and other dues of dead or missing workers. (1) According to the provisions of Section 59(1) (a) of the Act, every worker shall submit a nomination as per Form-48 for receiving his unpaid wages and other dues in his absence at the time of joining the work (\*\*Translated from Bengali and official translation in English is not available yet).

B) Bangladesh EPZ Labor Rules 2022, Rule 10(7): The owner shall issue photo identity card to every worker working in the firm at the costs of the owner as per Form-8 within 1 (one) month (\*\*translated from Bengali and official translation in English is not available yet).

### Findings:

Based on document review and interviews with management and worker during audit time it was identified that,

A) The following required information's were not included in the randomly checked 16 out of 35 form of declaration and nomination (Payment of undisbursed wages and other dues in case of death of employees): National ID Number and Thumb impression of the nominated person; Date of Signature of worker & management; Signature of worker etc.

B) Information in identity card for the employees was not as per the legal required format and most of the required information (like Blood Group, Permanent Address, Emergency Contact Number and Signature of Respective Employees and Expiry Date of identity card, etc.) Moreover, factory has provided Identity Card to the workers in English language instead of local language.

### Note:

As the other information was found maintained in nomination form and ID card, so partial rating was given to this checkpoint.

## PA 12: Protection of the Environment

Site: Site 1 | Site amfori ID: 050-001816-001

**Question:** 12.4 Is there satisfactory evidence that waste is managed in a way that does not lead to the pollution of the environment?

#### ENGLISH

##### Finding

In accordance with amfori BSCI Code of Conduct PA 12: Protection of the Environment- Identify the environmental impacts of their operations, and implement adequate measures to prevent, mitigate, and remediate adverse impacts on the surrounding communities, natural resources, climate, and the overall environment.

Findings: Based on a facility visit during audit time it was identified that different types of waste were found kept without proper segregation in the wastage area at Shed 5.

Note: As the facility had a designated wastage-keeping area and had an environmental policy, so partial rating was given to this checkpoint.

**Question:** 12.5 Is there satisfactory evidence that water is managed in a way that respects the environment, particularly but not limited to preserving local water sources?

#### ENGLISH

##### Finding

In accordance with amfori BSCI Code of Conduct PA 12 (Identify the environmental impacts of their operations, and implement adequate measures to prevent, mitigate and remediate adverse impacts on the surrounding communities, natural resources, climate, and the overall environment.)

Finding: Based on document review, management & workers interviews it was noted that no procedure to prevent water loss and have a system to preserve natural water resources (recycling practices, preserving rainwater, etc.) to ensure a better environment in the premises.

Note: As the facility has an environmental protection policy, so partial rating is given at this checkpoint.

## PA 13: Ethical Business Behaviour

Site: Site 1 | Site amfori ID: 050-001816-001

**Question:** 13.1 Is there satisfactory evidence that the auditee actively opposes any act of corruption, extortion or embezzlement, or any form of bribery in its activities as a business enterprise?

#### ENGLISH

##### Finding

In accordance with BSCI Performance Area (Ethical Business Behavior) No. 13 (Develop and adopt adequate internal controls, programs or measures for preventing and detecting corruption, extortion, embezzlement or any form of bribery, developed based on a company-specific risk assessment, provide awareness to the workers about the policies, controls, programs and measures against unethical behavior,



## Finding

and promote compliance within the company through training and communication,).

Finding: Based on document reviews and management during the audit, it was noted that the auditee a) did not communicate anti-corruption policy with any of its business partners. b) did not identify all the potential areas of corruption and possible solutions to mitigate anti-corruption issues.

Note: The facility has developed an anti-corruption policy, so a partial rating has been given.