




SMETA Corrective Action Plan Report (CAPR)

Version 6.1



Audit Details			
Sedex Company Reference: <i>(only available on Sedex System)</i>	ZC:1021454	Sedex Site Reference: <i>(only available on Sedex System)</i>	ZS: 202535038
Business name (Company name):	Grameen Fabrics & Fashions Ltd		
Site name:	Grameen Fabrics & Fashions Ltd		
Site address: <i>(Please include full address)</i>	Grameen Industrial Park, Sarabo, Kashimpur, Joydevpur, Gazipur Sadar, Gazipur -1700	Country:	Bangladesh
Site contact and job title:	MH Faizul- Manager (Compliance)		
Site phone:	+8801730372379	Site e-mail:	compliance@grameenfashion.com
SMETA Audit Pillars:	<input checked="" type="checkbox"/> Labour Standards	<input checked="" type="checkbox"/> Health & Safety (plus Environment 2-Pillar)	<input checked="" type="checkbox"/> Environment 4-pillar <input checked="" type="checkbox"/> Business Ethics
Date of Audit:	June 16-17, 2021		

Audit Company Name & Logo: Openview Service Limited 	Report Owner (payer): <i>(If paid for by the customer of the site please remove for Sedex upload)</i> Grameen Fabrics & Fashions Ltd
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Audit Conducted By					
Affiliate Audit Company	<input checked="" type="checkbox"/>	Purchaser	<input type="checkbox"/>	Retailer	<input type="checkbox"/>
Brand owner	<input type="checkbox"/>	NGO	<input type="checkbox"/>	Trade Union	<input type="checkbox"/>
Multi-stakeholder	<input type="checkbox"/>	Combined Audit (select all that apply)			

Audit Content:

(1) A SMETA audit was conducted which included some or all of Labour Standards, Health & Safety, Environment and Business Ethics. The SMETA Best Practice Version 6.1 (March 2019) was applied. 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.

(2) The audit scope was against the following reference documents

2-Pillar SMETA Audit

- ETI Base Code
- SMETA Additions
 - Universal rights covering UNGP
 - Management systems and code implementation,
 - Responsible Recruitment
 - Entitlement to Work & Immigration,
 - Sub-Contracting and Home working,

4-Pillar SMETA

- 2-Pillar requirements plus
- Additional Pillar assessment of Environment
- Additional Pillar assessment of Business Ethics
- The Customer's Supplier Code (Appendix 1)

(3) Where appropriate non-compliances were raised against the ETI code / SMETA Additions & local law and recorded as non-compliances on both the audit report, CAPR and on Sedex.

(4) Any Non-Compliance against customer code shall not be uploaded to Sedex. However, in the CAPR these 'Variances in compliance between ETI code / SMETA Additions/ local law and customer code' shall be noted in the observations section of the CAPR.

SMETA Declaration

I declare that the audit underpinning the following report was conducted in accordance with SMETA Best Practice Guidance and SMETA Measurement Criteria.

- (1) Where appropriate non-compliances were raised against the ETI code / SMETA Additions & local law and recorded as non-compliances on both the audit report, CAPR and on Sedex.
- (2) Any Non-Compliance against customer code alone shall not be uploaded to Sedex. However, in the CAPR these 'Variances in compliance between ETI code / SMETA Additions/ local law and customer code' shall be noted in the observations section of the CAPR.

Any exceptions to this must be recorded here (e.g. different sample size): Nil

Auditor Team (s) (please list all including all interviewers):

Lead auditor: Jahangir Alam / RA21701353

Team auditor: A.T.M. Anisuzzaman/ ASCA21703461 &
Farheen Walida Rasha/ ASCA21705044

Interviewers: Jahangir Alam, A.T.M. Anisuzzaman & Farheen Walida Rasha

Report writer: Jahangir Alam

Report reviewer: Quentin Dai

Date of declaration: June 17, 2021

Note: The focus of this ethical audit is on the ETI Base Code and local law. The additional elements will not be audited in such depth or scope, but the audit process will still highlight any specific issues.

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.

Audit Parameters

Audit Parameters			
A: Time in and time out	Day 1 Time in: 09:30 Day 1 Time out: 18:10	Day 2 Time in: 09:20 Day 2 Time out: 16:00	Day 3 Time in: N/A Day 3 Time out: N/A
B: Number of auditor days used:	4.5 man-days (3 Auditors in day 1 and 2 auditors in day 2)		
C: Audit type:	<input checked="" type="checkbox"/> Full Initial <input type="checkbox"/> Periodic <input type="checkbox"/> Full Follow-up <input type="checkbox"/> Partial Follow-Up <input type="checkbox"/> Partial Other If other, please define:		
D: Was the audit announced?	<input checked="" type="checkbox"/> Announced <input type="checkbox"/> Semi – announced: Window detail: weeks <input type="checkbox"/> Unannounced		
E: Was the Sedex SAQ available for review?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No If No, why not: Facility is not aware about the requirement.		
F: Any conflicting information SAQ/Pre-Audit Info to Audit findings?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No If Yes , please capture detail in appropriate audit by clause		
G: Who signed and agreed CAPR (Name and job title)	G.M. Tariqul Islam – Manager (Admin)		
H: Is further information available (if yes, please contact audit company for details)	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No		
I: Previous audit date:	May 23. 2019		
J: Previous audit type:	Periodic		
K: Were any previous audits reviewed for this audit	<input type="checkbox"/> Yes <input type="checkbox"/> No <input checked="" type="checkbox"/> N/A		

Audit attendance	Management	Worker Representatives	
	Senior management	Worker Committee representatives	Union representatives
A: Present at the opening meeting?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No

B: Present at the audit?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
C: Present at the closing meeting?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
D: If Worker Representatives were not present please explain reasons why <i>(only complete if no worker reps present)</i>	N/A		
E: If Union Representatives were not present please explain reasons why: <i>(only complete if no union reps present)</i>	No union is formed in the factory. It is not mandatory by local law. Facility has formed Participation Committee, the worker representatives of the participatory committee may carry out the activities related to the interests of the workers in the manner prescribed by local law.		

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 record actions taken and to categorise the status of the non-compliances.

N.B. observations and good practice examples should be pointed out at the closing meeting as well as discussing non-compliances and corrective actions.

To ensure that good practice examples are highlighted to the supplier and to give a more 'balanced' audit a section to record these has been provided on the CAPR document (see following pages) which will remain with the supplier. They will be further confirmed on receipt of the audit report.

Root cause (see column 4)

Root cause refers to the specific procedure or lack of procedure which caused the issue to arise. Before a corrective action can sustainably rectify the situation, it is important to find out the real cause of the non-compliance and whether a system change is necessary to ensure the issue will not arise again in the future.

See SMETA BPG Chapter 7 'Audit Execution' for more explanation of "root cause".

Next Steps:

1. The site shall request, via Sedex, that the audit body upload the audit report, non-compliances, observations and good examples. If you have not already received instructions on how to do this then please visit the web site www.sedexglobal.com.
2. Sites shall action its non-compliances and document its progress via Sedex.
3. Once the site has effectively progressed through its actions then it shall request via Sedex that the audit body verify its actions. Please visit www.sedexglobal.com web site 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 Sedex or by Follow-up Audit (see point 5).
5. Some non-compliances that cannot be closed off by "Desk-Top" review may need to be closed off via a "1 Day 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 non-compliance. Any follow-up audit must take place within twelve months of the initial audit and the information from the initial 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).

Corrective Action Plan

Corrective Action Plan – non-compliances									
Non-Compliance Number <i>The reference number of the non-compliance from the Audit Report, for example, Discrimination No.7</i>	New or Carried Over <i>Is this a new non-compliance identified at the follow-up or one carried over (C) that is still outstanding</i>	Details of Non-Compliance <i>Details of Non-Compliance</i>	Root cause <i>(completed by the site)</i>	Preventative and Corrective Actions <i>Details of actions to be taken to clear non-compliance, and the system change to prevent re-occurrence (agreed between site and auditor)</i>	Timescale <i>(Immediate, 30, 60, 90,180,365)</i>	Verification Method <i>Desktop / Follow-Up [D/F]</i>	Agreed by Management and Name of Responsible Person: <i>Note if management agree to the non-compliance, and document name of responsible person</i>	Verification Evidence and Comments <i>Details on corrective action evidence</i>	Status <i>Open/Closed or comment</i>
NC 01 OB: Management systems and code implementation No: 01	New	Facility has not provided adequate training on ethical code to their workers. Interviewed workers were found not aware of social standards & their legal rights. Moreover, ETI Base code was not found posted anywhere in the factory.	<input checked="" type="checkbox"/> Training <input type="checkbox"/> Systems <input type="checkbox"/> Costs <input type="checkbox"/> lack of workers <input type="checkbox"/> Other – please give details:	Facility should provide required training to all their workers.	60 days	Desktop	Yes, G.M. Tariqul Islam		
NC 02 3: Working Conditions are Safe and Hygienic No:01	New	Facility generates 1.280 MW of electricity through one diesel running generator but the license has expired on December 31, 2020.	<input type="checkbox"/> Training <input type="checkbox"/> Systems <input type="checkbox"/> Costs <input type="checkbox"/> lack of workers <input checked="" type="checkbox"/> Other – please give details: Lack of regular monitoring.	Facility should have legally required permission from concerned departments.	30 days	Desktop	Yes, G.M. Tariqul Islam		
NC 03 3: Working Conditions are	New	Facility has installed smoke detectors connected with the fire alarm system but does	<input type="checkbox"/> Training <input type="checkbox"/> Systems <input type="checkbox"/> Costs <input type="checkbox"/> lack of workers	Facility should installed & connect the fire alarm & detection system	60 days	Desktop	Yes, G.M. Tariqul Islam		

Safe and Hygienic No:02		not cover entire area of the factory. Noted through site visit and management interview that, factory building 1 is connected with detection system and fire alarm system but rest of the buildings & sheds are not connected with central detection system. Note that facility has installed manual smoke detectors & fire alarm call points in rest of the buildings & sheds.	<input checked="" type="checkbox"/> Other – please give details: Lack of regular monitoring.	with central detection system covering the entire area.					
NC 04 3: Working Conditions are Safe and Hygienic No:03	New	Risk assessment of the facility was not done with prescribed information of local law e.g. Identifying risky areas, Nature of risk, Risk level, Assessment of immediate duties, Assessment of necessary protection system in different nature and levels of risk and Assessment of technical and administrative liability.	<input type="checkbox"/> Training <input type="checkbox"/> Systems <input type="checkbox"/> Costs <input type="checkbox"/> lack of workers <input checked="" type="checkbox"/> Other – please give details: Lack of awareness & monitoring	Facility should develop their risk assessment covering all the required information prescribed by local law.	30 days	Desktop	Yes, G.M. Tariqul Islam		
NC 05 3: Working Conditions are Safe and Hygienic No. 04	New	Machine safety have not been ensured in area below; a. 03 out of 10 sewing machines were found without needle guard at sample section located at mezzanine floor of	<input type="checkbox"/> Training <input type="checkbox"/> Systems <input type="checkbox"/> Costs <input type="checkbox"/> lack of workers <input checked="" type="checkbox"/> Other – please give details: Lack of knowledge & awareness	Facility should ensure using machine safety in mentioned area.	30 days	Desktop	Yes, G.M. Tariqul Islam		

		b. factory building-1 Eye guards were found displaced among 3 out of 08 overlock machines in sewing section located at 2nd floor of building-01							
NC 06 3: Working Conditions are Safe and Hygienic No. 05	New	Drinking water facilities for the workers were found adjacent to the workers toilets which does not meet the minimum distance of 6 meter from the washroom. Noted during floor visit that, Drinking water facility found placed within 5 feet distance of male wash room in cutting section located at ground floor of building-1	<input type="checkbox"/> Training <input type="checkbox"/> Systems <input type="checkbox"/> Costs <input type="checkbox"/> lack of workers <input checked="" type="checkbox"/> Other – please give details: Lack of knowledge & awareness	Facility should place drinking water facility at a safe distance from the toilet area according to the law.	30 days	Desktop	Yes, G.M. Tariqul Islam		
NC 07 3: Working Conditions are Safe and Hygienic No. 06	New	Facility conducts evacuation drill internally in every month interval but does not arrange fire drills and emergency evacuation drills at least once in every six month period as per law. Last drill was conducted by fire service & civil defence authority on February 26, 2020. Note that, facility has applied to conduct drill to fire service & civil defence authority on February 18, 2021 but yet get the	<input type="checkbox"/> Training <input type="checkbox"/> Systems <input type="checkbox"/> Costs <input type="checkbox"/> lack of workers <input checked="" type="checkbox"/> Other – please give details: Lack of regular monitoring.	Facility should conducts fire drill in prescribed time interval as per local law.	60 days	Desktop	Yes, G.M. Tariqul Islam		

		schedule.							
NC 08 3: Working Conditions are Safe and Hygienic No:07	New	Facility has a gas running boiler, having permission from concern authority but permanent metallic numbers were not found posted on their boilers as required by local law. Moreover, no operating instruction was found posted for boiler.	<input type="checkbox"/> Training <input type="checkbox"/> Systems <input type="checkbox"/> Costs <input type="checkbox"/> lack of workers <input checked="" type="checkbox"/> Other – please give details: Lack of awareness	Facility should ensure permanent number posted on boiler's body.	30 days	Desktop	Yes, G.M. Tariqul Islam		
NC 09 10. Other issue areas 10B4: Environment 4– Pillar NC 01	New	Environmental Clearance Certificate of the factory has expired on February 09, 2021. Note that facility applied for the updated certificate February 02, 2021 But yet to get the updated license from department of Environment.	<input type="checkbox"/> Training <input type="checkbox"/> Systems <input type="checkbox"/> Costs <input type="checkbox"/> lack of workers <input checked="" type="checkbox"/> Other – please give details: Lack of regular monitoring	Facility should have updated Environmental Clearance Certificate from concern authority.	60 days	Desktop	Yes, G.M. Tariqul Islam		
NC 10 10. Other issue areas 10B4: Environment 4– Pillar NC 02	New	Facility has responsible person appointed, but does not have the relevant training to help & ensure the environment compliance.	<input checked="" type="checkbox"/> Training <input type="checkbox"/> Systems <input type="checkbox"/> Costs <input type="checkbox"/> lack of workers <input type="checkbox"/> Other – please give details:	Facility's responsible person should have adequate training to ensure the environment compliance.	60 days	Desktop	Yes, G.M. Tariqul Islam		

Corrective Action Plan – Observations

Observation Number <i>The reference number of the observation from the Audit Report, for example, Discrimination No.7</i>	New or Carried Over <i>Is this a new observation identified at the follow-up or one carried over (C) that is still outstanding</i>	Details of Observation <i>Details of Observation</i>	Root cause <i>(completed by the site)</i>	Any improvement actions discussed <i>(Not uploaded on to SEDEX)</i>
0A: Universal Rights Covering UNGP No-1	New	No policy in place to respect international human rights standards	Facility is not well aware of this requirement.	Factory management shall develop policy covering human rights impacts and issues & shall communicate to all appropriate parties
0A: Universal Rights Covering UNGP No-2	New	No training for appropriate personnel on international human rights standards	Facility is not well aware of this requirement	Factory management shall assign a designated person responsible for implementing standards concerning Human Rights.
0A: Universal Rights Covering UNGP No-3	New	No / inadequate process to assess impacts of the key human rights aspects of the site	Facility is not well aware of this requirement.	Factory management shall develop policy or system to identify their stakeholders, their impact and salient issues.
0A: Universal Rights Covering UNGP No-4	New	No / inadequate system to minimise the impacts of the key human rights aspects of the site	Facility is not well aware of this requirement.	Facility shall develop the system for measuring their direct, indirect and potential impacts on stakeholders' Human Rights.
OB: Management systems and code implementation No-1	New	Facility management has not completed the SAQ at the time of audit.	Facility is not well aware of this requirement.	Facility shall complete the SAQ by this month.

Good examples		
Good example Number <i>The reference number of the good example from the Audit Report, for example, Discrimination No.7</i>	Details of good example noted	Any relevant Evidence and Comments
GE 00 5: Living Wages are Paid No: 00	Facility has system in place arrange annual picnic for all their workers.	Document review, worker & management interview.
GE 00 5: Living Wages are Paid No: 00	Facility has system in to donate in to local community.	Document review, worker & management interview.

Confirmation

<p>Please sign this document confirming that the above findings have been discussed with and understood by you: (site management) <i>If actual signatures are not possible in electronic versions, please state the name of the signatory in applicable boxes, as indicating the signature.</i></p>		
A: Site Representative Signature:	G.M. Tariqul Islam	Title: Manager (Admin) Date: June 17, 2021
B: Auditor Signature:	Jahangir Alam	Title: Lead Auditor Date: June 17, 2021
C: Please indicate below if you, the site management, dispute any of the findings. No need to complete D-E, if no disputes.		
D: I dispute the following numbered non-compliances: N/A		
E: Signed: (If <u>any</u> entry in box D, please complete a signature on this line)	N/A	Title: N/A Date: N/A
F: Any other site Comments: N/A		

Guidance on Root Cause

Explanation of the Root Cause Column

If a non-compliance is to be rectified by a corrective action which will also prevent the non-compliance re-occurring, it is necessary to consider whether a system change is required.

Understanding the root cause of the non-compliance is essential if a site is to prevent the issue re-occurring.

The root cause refers to the specific activity/ procedure or lack of activity /procedure which caused the non-compliance to arise. Before a corrective action can rectify the situation, it is important to find out the real cause of the non-compliance and whether a system change is necessary to ensure the issue will not arise again in the future.

Since this is a new addition, it is not a mandatory requirement to complete this column at this time. We hope to encourage auditors and sites to think about Root Causes and where they are able to agree, this column may be used to describe their discussion.

Some examples of finding a "root cause"

Example 1

Where excessive hours have been noted the real reason for these needs to be understood, whether due to production planning, bottle necks in the operation, insufficient training of operators, delays in receiving trims, etc.

Example 2

A non-compliance may be found where workers are not using PPE that has been provided to them. This could be the result of insufficient training for workers to understand the need for its use; a lack of follow-up by supervisors aligned to a proper set of factory rules or the fact that workers feel their productivity (and thus potential earnings) is affected by use of items such as metal gloves.

Example 3

A site uses fines to control unacceptable behaviour of workers.

International standards (and often local laws) may require that workers should not be fined for disciplinary reasons.

It may be difficult to stop fines immediately as the site rules may have been in place for some time, but to prevent the non-compliance re-occurring it will be necessary to make a system change.

The symptom is fines, but the root cause is a management system which may break the law. To prevent the problem re-occurring it will be necessary to make a system change for example the site could consider a system which rewards for good behaviour

Only by understanding the underlying cause can effective corrective actions be taken to ensure continuous compliance.

The site is encouraged to complete this section so as to indicate their understanding of the issues raised and the actions to be taken.



For more information visit: [Sedexglobal.com](https://www.sedexglobal.com)

Your feedback on your experience of the SMETA audit you have observed is extremely valuable. It will help to make improvements to future versions.

You can leave feedback by following the appropriate link to our questionnaire:

[Click here for Buyer \(A\) & Buyer/Supplier \(A/B\) members:](#)

http://www.surveymonkey.com/s.aspx?sm=riPsbE0PQ52ehCo3lnq5lw_3d_3d

[Click here for Supplier \(B\) members:](#)

http://www.surveymonkey.com/s.aspx?sm=d3vYsCe48fre6gDRgLY_2brg_3d_3d

[Click here for Auditors:](#)

<https://www.surveymonkey.co.uk/r/BRTVCKP>