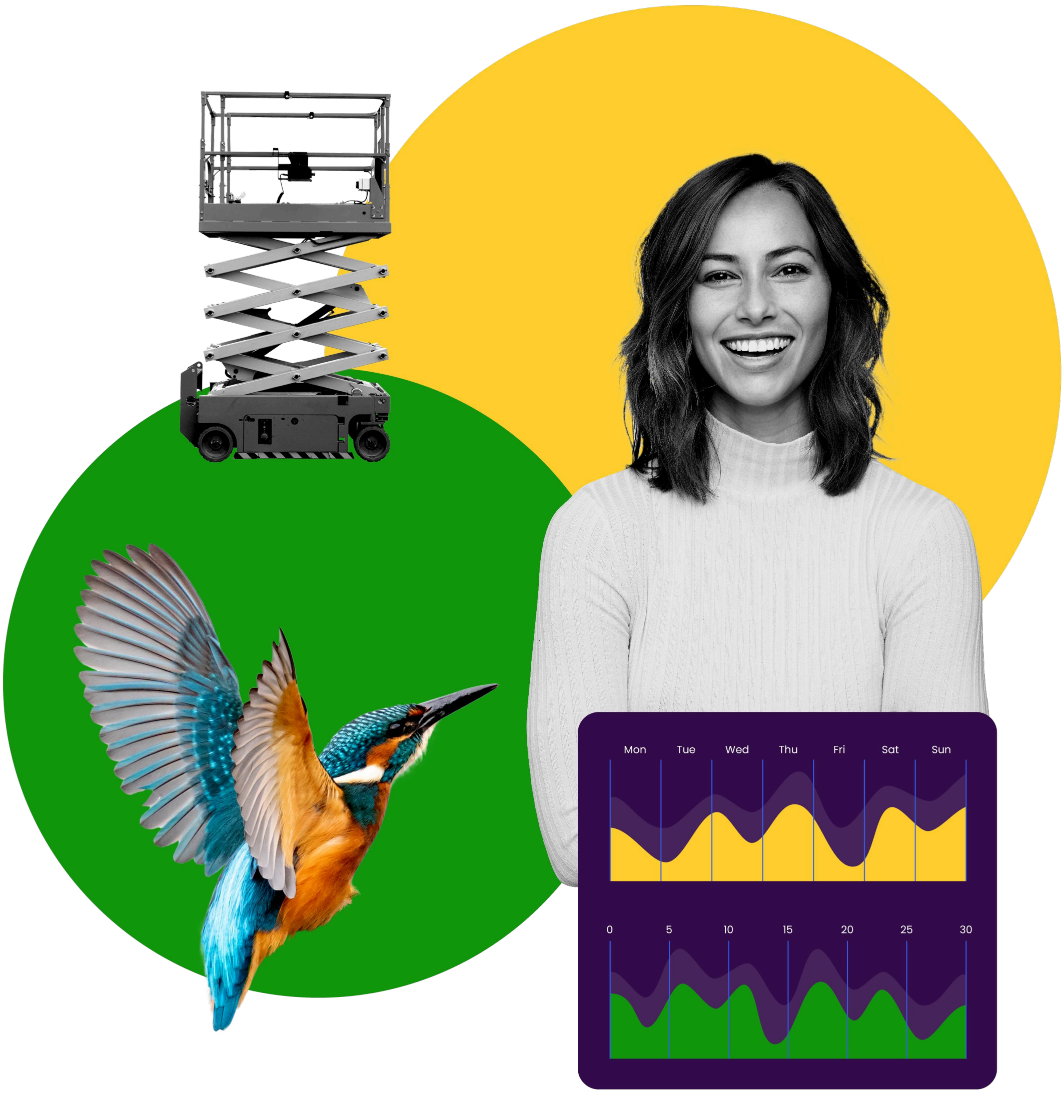
SMETA Corrective Action Plan Report (CAPR)

Version 7



Sedex, 5 Old Bailey, London, EC4M 7BA, United Kingdom

Contents

Audit content

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

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

2-pillar audits include:

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

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

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

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

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

← Contents

Findings →

Audit details

Site details

Sedex site reference	ZS407290606	**Site name**	Keilock Newage Bangladesh Ltd
Business name	Rowlinson Knitwear Limited (Trading as One and All)	**Site address**	1341 Holding # 06/66/01, Road # 11, Block # L, Ward # 06, Nischintopur, Purbo Norshingpur, Ashulia, Savar, BD

Audit details

Sedex company reference	ZC1055118	**Auditor company name**	BUREAU VERITAS CPS - ASIA
Audit company address	7th Floor. Octa Tower. 8 Lam Chak Street, Kowloon Bay, Kowloon, HONG KONG, CN, -		
Date of audit	2025-03-20	**Audit conducted by**	Md. Tazul Islam
Audit pillars	Labour Standards | Health and safety | Environment 4-Pillar | Business ethics		
Time in and out	Day 1 In 08:30 Out 15:50		
Audit type	Full initial		
Was the audit announced?	Semi announced		

← Contents

Findings →

Was the Sedex SAQ available for review?	Yes
Who signed and agreed CAPR?	Mr. Towfiq Ullah Khan / Deputy Manager, HR & Sustainability
Any conflicting information SAQ/Pre-Audit Info	No
Is further information available?	No

Audit attendance

	Senior management	**Worker representative**	**Union representative**
A: Present at the opening meeting?	Yes	Yes	No
B: Present at the audit?	Yes	Yes	No
C: Present at the closing meeting?	Yes	Yes	No
Reason for absence at the opening meeting	There is no trade union in this facility, and it is not mandated by law. However, the facility has an elected Worker Participation Committee, and its representative was present during the opening meeting along with senior management representatives.		
Reason for absence during the audit	There is no trade union in this facility, as it is not mandated by law. However, the facility has an elected Worker Participation Committee, and its representative was present during the audit along with senior management representatives of the facility.		
Reason for absence at the closing meeting	There is no trade union in this facility, as it is not mandated by law. However, the facility has an elected Worker Participation Committee, and its representative was present during the closing meeting along with senior management representatives of the facility.		

← Contents

Findings →

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)	Audit Window from 9-Mar-2025 to 14-April-2024. The factory management was convenient in English and requested auditor to write the CAP in English.

Lead auditor	Md. Tazul Islam	**APSCA Number**	21704592

Auditor team

Additional auditor	Nurun Diba	**APSCA Number**	21701270
	Md. Rafiqul Islam	**APSCA Number**	21701271
	Nazmul Haque	**APSCA Number**	32200157
	Md. Iftekharul Hero	**APSCA Number**	32200836
Date of declaration	2025-03-20		

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	Mr. Towfiq Ullah Khan
Title	Deputy Manager, HR & Sustainability
Date of declaration	2025-03-20

← Contents

Findings →

Summary of findings

Code area	Workplace requirement	Area of NC	Finding
3. Working conditions are safe and hygienic	3.H Where identified as necessary to reduce r...	Local law	NC ZAF600873187
	3.L Implement effective processes to manage f...	Local law	NC ZAF600873188
	3.L Implement effective processes to manage f...	Local law	NC ZAF600873189
	3.M Ensure all machinery is installed, mainta...	Local law	NC ZAF600873186
	3.M Ensure all machinery is installed, mainta...	Local law	NC ZAF600873191
5.A. Living wages are paid	5.A.A Review workers' total pay including ben...	Base code	NC ZAF600873190

← Contents

Management systems →

Findings: non-compliances

ZAF600873187

Non-compliance

Due 2025-05-06

Code area

3 Working conditions are safe and hygienic

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).

Issue title

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

Description

During factory tour, interview and document review it was noted that, randomly checked 09 out of 56 overlock sewing machine operators were not using masks while working in the sewing section at 1st floor of building 01. Overlock machines often produce fine fabric dust and fibers during operation. Inhalation of these particles can lead to respiratory issues, including conditions like bronchitis or other chronic respiratory diseases. Moreover, randomly checked 03 out of 12 cutting machine operators were not using face mask while working in the cutting section of 2nd floor of building 08. Based on provided risk assessment, facility shall provide appropriate PPE to the Overlock machine & cutting machine operator to protect the workers from fine fabric dusts. Last personal protective equipment training for workers was conducted on 09 March 2025.

Corrective and preventative actions

It is recommended that management adopt practices and controls to ensure that all employees are using appropriate PPE (Personal Protective Equipment) when required.

Status

Closed (2025-04-29)*

Time given to resolve

30 days

Verification method

Desktop audit

Area of non-compliance/non-conformance

Local law

← Findings

Management systems →

Local law reference

In accordance with Bangladesh Labor Rules, 2015, Rule 67 (1): Safety measures and health safety must be arranged in accordance with the directions of this Rule or the regulations of the concerned govt. department for the workers who are employed in the procedures of manufacturing processes that have high risks of physical injury or loss. In accordance with Bangladesh Labor 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's, including safety shoes, helmets, goggles, masks, hand gloves, ear muffs, ear plugs, waist belts, aprons etc. and arrange training programs for the workers in using these materials and ensure their usage. In accordance with Bangladesh Labor Rules, 2015, Rule 67 (3): No worker can be employed in the relevant works without ensuring safety and health protection measures and the training related therewith. In addition, personal safety equipment's must be reserved in accordance with Information Form 23.

Evidence

[NC Cutting machine operators not using mask.jpg]

[NC Overlock machine operator not wearing mask.jpg]

* PDF generated at 05:10 (UTC) on 02 Aug 2025. View this finding on the Sedex platform for live updates and closure details.

ZAF600873188

Non-compliance

Due 2025-05-06

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

During a site tour, it was observed that two out of three aisles in the finishing section at the 1st floor of building 1 found partially blocked by garment hanging table. Moreover, Three out of nine aisles in the sewing section of 1st floor of building 1 found partially blocked by goods, cartons and workstation.

Status

Closed (2025-04-29)*

Time given to resolve

30 days

Verification method

Desktop audit

Area of non-compliance/non-conformance

Local law

← Findings

Management systems →

Corrective and preventative actions

It is recommended that facility management should keep all the walkways free of obstruction in mentioned area for easy evacuation in case of emergency.

Local law reference

In accordance with Bangladesh Labor Law 2006, Chapter- 6, Section – 62, a free passage-way giving access to each means of escape in case of fire shall be maintained for the use of all workers in every room of the factory. In accordance with Bangladesh Labor Law 2006, Chapter-6, Section – 72(C), all floors, stairs and gangways shall be wide and obstacle free.

Evidence

NC aisle was partially blocked in Finishing area.jpg

NC aisle partially blocked with goods, people, cartoon in Sewing area.jpg

* PDF generated at 05:10 (UTC) on 02 Aug 2025. View this finding on the Sedex platform for live updates and closure details.

ZAF600873189

Non-compliance Due 2025-05-06

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

209 - Not all emergency exits are properly marked and lighted

Description

It was noted through facility tour that 2 of 2 aisles marks found erased at packing section at 1st floor of building#1 and no aisle found in the 2nd floor of building#8 cutting section. Moreover, 1 out of 3 aisles in the finishing section & 5 out of 9 aisles in the sewing section was found faded at 1st floor of building#1. Without clear aisle markings, there is an increased risk of accidents and collisions between workers, and other equipment. Aisles provide designated pathways for movement, and without proper markings, individuals may not be aware of the designated routes, leading to potential collisions. In the event of an emergency, clear and well-marked aisles are essential for a swift and safe evacuation. To mitigate these risks, it's crucial for organizations to implement clear and standardized aisle markings in production areas.

Status

Closed (2025-04-29)*

Time given to resolve

30 days

Verification method

Desktop audit

Area of non-compliance/non-conformance

Local law

← Findings

Management systems →

Corrective and preventative actions

It is recommended that management adopt practices and controls to ensure that aisles are properly marked in all required areas.

Local law reference

In accordance with Bangladesh Labor Law 2006, Chapter- 6, Section – 62, a free passage-way giving access to each means of escape in case of fire shall be maintained for the use of all workers in every room of the factory.

Evidence

NC aisle was partially faded in Finishing area.jpg

NC Aisle partially faded in sewing section.jpg

NC aisle mark is missing in cutting section.jpg

NC aisle erased in packing area.jpg

* PDF generated at 05:10 (UTC) on 02 Aug 2025. View this finding on the Sedex platform for live updates and closure details.

ZAF600873186

Non-compliance Due 2025-05-06

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

264 - Machines lack appropriate safety guards (e.g. eye or needle guards on sewing machines, belt/hand guards on other machines)

Description

It was noted through the facility visit that randomly checked eye guards of 7 out of 56 overlock machines was not in proper place & 2 out of 8 eyelet machines in the sewing section of 1st floor of building 01, was missing. Inadequate safety measures, like the improper place of an eye guard, can lead to distractions and nervousness while operating, and the purpose of the safety was not served properly. To minimize these risks, it's crucial to always use a machine that is properly equipped with safety features, including an eye guard. However, the factory provided machine safety devices for all required machines and provided machine safety training to their workers on a regular basis. Last training was conducted on 09 March 2025.

Status

Closed (2025-04-29)*

Time given to resolve

30 days

Verification method

Desktop audit

Area of non-compliance/non-conformance

Local law

← Findings

Management systems →

Corrective and preventative actions

It is recommended that the facility should periodically monitor the machine guard usage by the workers.

Local law reference

In accordance with Bangladesh Labor law 2006, Section 63-1 (D-3), In every establishment, the following shall be securely fenced by the safeguards of substantial construction which shall be kept in a position while the part of machinery required to be fenced are in motion or in use, every dangerous part of any machinery. In accordance with Bangladesh Labor Rules 2015, Rule 64 (2) Effective machine guard or eye safety goggles must be installed/used in all cases where the possibility of having injuries in the eye is high.

Evidence

NC Overlock machine eye guard not in proper place.jpg

NC Eyelet machine eye guard missing.jpg

* PDF generated at 05:10 (UTC) on 02 Aug 2025. View this finding on the Sedex platform for live updates and closure details.

ZAF600873191

Non-compliance

Due 2025-05-06

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 factory tour, document review and management interview it was noted that, factory has been using total 9 generators [Gas (2 X 1030 KW) + Diesel (3 X 400 KW + 240 KW + 2 X 520 KW + 48 KW)] with their sister concern factories in this premises. Out of 9 generators, factory did not obtain license from concern authority for 3 diesel generators (2 X 520 KW + 48 KW). However, factory has applied and deposited money to the concern authority on 16 January 2024 for license of said generators.

Status

Closed (2025-08-02)*

Time given to resolve

30 days

Verification method

Desktop audit

Area of non-compliance/non-conformance

Local law

← Findings

Management systems →

Corrective and preventative actions

It is recommended that management adopt practices and controls to ensure that updated license for generator are obtained from concern authority and kept on-site ready for review.

Local law reference

In accordance with the Bangladesh Energy Regulatory Commission Act, 2003 chapter-6, section 27 (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.
In accordance with the Bangladesh Energy Regulatory Commission Act, 2003 chapter-6, section 30, Licence can be renewed, cancelled and revised by a process prescribed by regulation.

Evidence

[Application of Generator License.pdf]

* PDF generated at 05:10 (UTC) on 02 Aug 2025. View this finding on the Sedex platform for live updates and closure details.

ZAF600873190

Non-compliance

Code area

5.A Living wages are paid

Workplace requirement

5.A.A Review workers' total pay including benefits and compare it with a credible 'living wage' to calculate a 'living wage gap', and understand what proportion of the workforce has a gap.

Issue title

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

Description

It was noted through document review and interview that, the facility has estimate living wage but did not determine a potential gap between present local minimum wage and living wage to meet a decent living standard and so no actions to fill the gaps. Factory calculated Living wages is BDT: 16,775 and gap is BDT: 6,325. According to The Anker Methodology, the monthly living wage for Satellite Cities and areas Surrounding Dhaka, Bangladesh is BDT 23,100. However, the factory is providing minimum wages to all workers in accordance with the law.

Status

Open*

Time given to resolve

Verification method

Collaborative action required

Area of non-compliance/non-conformance

Base code

Corrective and preventative actions

It is recommended that the facility should take necessary actions to meet the living wage gap.

* PDF generated at 05:10 (UTC) on 02 Aug 2025. View this finding on the Sedex platform for live updates and closure details.

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

← Findings
Guidance →

	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	Robust management systems	Robust management systems
10.C. Business ethics	Robust management systems	Robust management systems	Robust management systems	Robust management systems

- ✗ Not addressed
- ⚠ Fundamental improvements required
- ⓘ Some improvements recommended
- ✓ Robust management systems

Guidance

The Corrective Action Plan Report (CAPR) 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 (NCs) and corrective actions, Collaborative Action Required (CAR) findings and the Management Systems Assessment (MSA).

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 desktop review process via the Sedex platform or by follow-up audit.
5. Some NCs that cannot be closed off by desktop 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

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.

← Guidance

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

← Guidance