

# SMETA Corrective Action Plan Report (CAPR)

Version 4.0 May 2012, 2/4 Pillar Audit; replaces version 2.4. Sept 2010

<b>Supplier name:</b>	<b>Eve Dress Shirts Limited</b>	
<b>Site country:</b>	<b>Bangladesh</b>	
<b>Site name:</b>	<b>Eve Dress Shirts Limited</b>	
<b>SMETA Audit Type:</b>	<input checked="" type="checkbox"/> 2-Pillar	<input type="checkbox"/> 4-Pillar

## Audit Content:

(1) A SMETA audit was conducted which included some or all of Labour Standards, Health and Safety Business Practices and Environment. The SMETA Best Practice Methodology v.4.0 May 2012 was applied. 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:

Please check appropriate SMETA Audit Type in the above box:

### 2-Pillar SMETA Audit

- ETI Base Code
- SMETA Additions
  - o Management systems and code implementation,
  - o Entitlement to Work & Immigration,
  - o Sub-Contracting and Home working

### 4-Pillar SMETA Audit

- o 2-Pillar requirements plus
- o Additional Pillar assessment of Environment
- o Additional Pillar assessment of Business Practices

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.



<b>Audit Company Name: SGS Bangladesh Limited</b>	<b>Report Owner (payee): Eve Dress Shirts Limited</b> <i>(If paid for by the customer of the site, please remove for Sedex upload)</i>
<b>Sedex Company Reference:</b> <i>(only available on Sedex System):</i>	<b>Not Provided</b>
<b>Sedex Site Reference:</b> <i>(only available on Sedex System)</i>	<b>Not Provided</b>

Audit Conducted By			
<b>Commercial</b>	<input checked="" type="checkbox"/>	<b>Purchaser</b>	<input type="checkbox"/>
<b>NGO</b>	<input type="checkbox"/>	<b>Retailer</b>	<input type="checkbox"/>
<b>Trade Union</b>	<input type="checkbox"/>	<b>Brand Owner</b>	<input type="checkbox"/>
<b>Multi-stakeholder</b>	<input type="checkbox"/>	<b>Combined Audit (select all that apply)</b>	

<b>Auditor Reference Number:</b> <i>(If applicable)</i>	<b>DC1305924</b>
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## Audit Details

Audit Details	
<b>A: Report #:</b>	DC1305924
<b>B: Date of audit:</b>	May 07, 2013
<b>C: Time in and time out:</b> <i>Please see Best Practice Guidance v4.0</i>	Time in : 09:30 hours Time out : 18:30 hours
<b>D: Number of Auditor Days Used:</b> <i>(number of auditor x number of days)</i>	3.5 Auditor days
<b>E: Audit type:</b>	<input checked="" type="checkbox"/> Full Initial <input type="checkbox"/> Periodic <input type="checkbox"/> Full Follow-up Audit <input type="checkbox"/> Partial Follow-Up <input type="checkbox"/> Partial Other - Define
<b>F: Was the audit announced?</b>	<input type="checkbox"/> Announced <input checked="" type="checkbox"/> Semi – announced <input type="checkbox"/> Unannounced
<b>G: Was the Sedex SAQ available for review?</b>	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
<b>If no, why not?</b>	NA
<b>I: Auditor name(s) and role(s):</b>	Md. Mokhlesur Rahman (Lead Auditor) Md. Zuiel Hossen (Member Auditor) Mr. Syful Alam Mallick (Member Auditor)
<b>J: Report written by:</b>	Md. Mokhlesur Rahman
<b>K: Report reviewed by:</b>	Md. Zuiel Hossen
<b>L: Report issue date:</b>	May 07, 2013
<b>M: Supplier name:</b>	Eve Dress Shirts Limited
<b>N: Site name:</b>	Eve Dress Shirts Limited
<b>O: Site country:</b>	Bangladesh
<b>P: Site contact and job title:</b>	Mr. Jahangir Kabir, Manager, Compliance
<b>Q: Site address:</b>	Ashulia, Savar, Dhaka-1341, Bangladesh
<b>Site phone:</b>	+88-02-7741720, Cell No: +88-01718-455444, 01976-600800
<b>Site fax:</b>	+ 88-02-7741721

<b>Site e-mail:</b>	Jahangir@evegroupbd.com			
<b>R: Applicable business and other legally required licence numbers: for example, business license no, and liability insurance</b>	<p><b>Trade License No:</b> 701/2012-13, issued by Ashulia Union Council, Thana-Ashulia, Upazilla-Savar, Dist-Dhaka which is valid till June 30, 2013.</p> <p><b>Factory License No:</b> 12706/Dhaka, issued by Bangladesh Government which is valid till December 31, 2013.</p> <p><b>Fire License No:</b> Dhaka/19040/05 issued by Bangladesh Fire Service &amp; Civil Defence Authority which is valid till June 30, 2013.</p>			
<b>S: Products/Activities at site, for example, garment manufacture, electricals, toys, grower</b>	Woven shirts			
<b>T: Audit results reviewed with site management?</b>	Yes			
<b>U: Who signed and agreed CAPR (Name and job title)</b>	Mr. Jahangir Kabir, Manager, Compliance			
<b>V: Did the person who signed the CAPR have authority to implement changes?</b>	Yes			
<b>W: Previous audit date:</b>	NA. This is the full initial audit.			
<b>X: Previous audit type:</b>		SMETA 2-Pillar	SMETA 4-Pillar	Other
	Full Initial	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	Periodic	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	Full Follow-Up Audit	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	Partial Follow-Up	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	Partial Other*	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
*If other, please define: Not Applicable				

**Present at closing meeting:**

**Auditor:**

Md. Mokhlesur Rahman (Lead Auditor)  
Md. Zuiel Hossen (Member Auditor)  
Mr. Syful Alam Mallick (Member Auditor)

**Factory: Eve Dress Shirts Ltd**

**Management Representative:**

Md. A D M Nurul Mowla, Managing Director  
Mr. Jahangir Kabir, Manager, Compliance  
Mr. Salahuddin Ahmed, Manager, HR & Compliance  
Mr. Babul Miah, Welfare & Compliance Officer

**Workers Welfare Representative:**

Ms. Sonia – WPC Member  
Ms. Shima – WPC Member

**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.

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)**

*Note: it is not mandatory to complete this column at this time.*

**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 Appendix 2.5 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](http://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](http://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 seeing 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>
2: Freedom of Association and Right to Collective Bargaining are Respected	New	Workers are not aware about WPC and factory has not sent the meeting minutes of WPC to the director of Labour and the conciliator within seven days of meeting. However WPC meeting in the factory held within two month regularly.  This violates section 207 of Bangladesh Labour Law, 2006.	Nil	We will increase the awareness of the workers about WPC and send the meeting minutes of WPC meeting to the director of Labour and the conciliator within seven days.	Immediate	F	Agreed / Mr. Jahangir Kabir, Manager, Compliance	Worker interview and document review required to verify compliance.	Open

3. Safety and Hygienic Conditions No-1	New	During the audit it was noted that Approx. 25 workers found congested in the fusing section and pressing section in the factory.  This violates section 56 of The Bangladesh Labour Law, 2006.	Nil	We will make congested free for all section' worker in the factory.	90 days	D	Agreed / Mr. Jahangir Kabir, Manager, Compliance	Uploading photo to Sedex showing that factory make congested free for all section in the factory.	Open
No-2	New	Smoke detector found inactive in the fabric and accessories store in the factory.  This violates section 62(5) of The Bangladesh Labour Law, 2006.	Nil	We will install active smoke detector in fabric and accessories store.	Immediate	D	Agreed / Mr. Jahangir Kabir, Manager, Compliance	Upload required docs to Sedex showing that factory has installed active smoke detector in fabric and accessories store.	Open
No-3	New	Electrical installations are not checked periodically in a schedule manner.  This violates ETI Base Code 3.1	Nil	We will arrange the check all electrical items periodically in a schedule manner.	Immediate	D	Agreed / Mr. Jahangir Kabir, Manager, Compliance	Upload required evidence in SEDEX database to verify the issue.	Open
No-4		Factory is not provided fire safety training to the 6% workers from each department of the factory by the Fire Service and Civil Defence Authority. However factory has given fire fighting training internally for 169 workers. This violates instruction/condition no-5(4) of fire license which issued as per section 4 of Bangladesh Fire Service & Civil Defence Ordinance, 2003.	Nil	We will arrange fire safety training to the 6% workers from each department by the Fire Service and Civil Defence Authority	90 days	D	Agreed / Mr. Jahangir Kabir, Manager, Compliance	Worker interview and document review required to verify compliance.	Open



No-5	New	Insufficient seating capacity found in workers dining area. The required seats are 261 as per their presence workforce where as the available seats are 140.  This violates section 58(1) of The Factories Rules 1979.	Nil	We will arrange sufficient seating capacity in dining area as per law.	180 days	D	Agreed / Mr. Jahangir Kabir, Manager, Compliance	Upload required evidence in SEDEX database to verify the issue.	Open
5.Wages and Benefits No-1	New	Factory has not formed Workers Participation Fund (WPF) and Workers Welfare Fund (WWF) as per law. However factory has formed a registered trustee board for WWF & WPF.  This violates section 234 of Bangladesh Labour Law, 2006	Nil	We will form Workers Participation Fund (WPF) and Workers Welfare Fund (WWF) as per law.	180 days	F	Agreed / Mr. Jahangir Kabir, Manager, Compliance	Worker interview and document review required to verify compliance.	Open

**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>	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>
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	ng									
Nil	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA

Good examples		
Good example Number <i>The reference number of the non-compliance from the Audit Report, for example, Discrimination No.7</i>	Details of good example noted	Any relevant Evidence and Comments
5.Wages and Benefits No-1	Factory provides attention bonus of BDT 500 for all workers who are present for 100% working days.	Through the document verification and workers interview.
No-2	Factory provides Festival bonus to workers who are completing their work 12 months, getting 100% of basic salary, completing six month, getting 75% of basic salary and in probation period (three month), getting 25% of basic salary.	Through the document verification and workers interview.
No-3	Factory arrange annual picnic for all workers once in a year.	Management & Workers interview
No-4	Factory provides transport facilities for the workers those are living in far away from the factory.	Management & Workers interview.
No-5	Factory has made an agreement with the Hospital (Nari & Sishu hospital) for all workers to give medical treatment in case of serious illness or accident.	Management & Workers interview and document verification.



## Confirmation

<b>Please sign this document confirming that the above findings have been discussed with and understood by you:</b> (site management)		
<b>Site Representative Signature:</b>	Mr. Jahangir Kabir	Title : Manager, Compliance Date : May 07, 2013
<b>Auditor Signature:</b>	Md. Mokhlesur Rahman	Title : Lead Auditor Date : May 07, 2013
<b>Please indicate below if you, the site management, dispute any of the findings</b> <i>I dispute the following numbered non-compliances:</i>		
None		
<b>Signed:</b>	NA	Title : NA Date : NA
<b>Site Comments:</b>		
None		

## Appendix 2.5. 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.

**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 A & AB members:

[http://www.surveymonkey.com/s.aspx?sm=riPsbE0PQ52ehCo3lnq5lw\\_3d\\_3d](http://www.surveymonkey.com/s.aspx?sm=riPsbE0PQ52ehCo3lnq5lw_3d_3d)

Click here for B members:

[http://www.surveymonkey.com/s.aspx?sm=d3vYsCe48fre69DRqIY\\_2brg\\_3d\\_3d](http://www.surveymonkey.com/s.aspx?sm=d3vYsCe48fre69DRqIY_2brg_3d_3d)



For more information on Sedex please go to [www.sedexglobal.com](http://www.sedexglobal.com)  
or email [helpdesk@sedexglobal.com](mailto:helpdesk@sedexglobal.com)

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