

## **SUPPLIER RELATIONSHIPS**

NYGÅRD believes in Partnering with our Suppliers LONG TERM - giving us consistency of Supply Chain Quality and transparent working relationships in regards to employee relations / work environment / fair treatment of staff and respecting all local labour laws and the safety of the workers.

60% of NYGÅRD Suppliers have been with us for more than 5yrs - this leads to outstanding communication and ACTION where needed day to day respecting the rights of the Factory Workers.

The following is a sample of a recent audit performed in Bangladesh. It includes the results and follow-up initiatives.

## **AUDIT REPORT SUMMARY**

Facility management respected its client's requirements and allowed auditors to take pictures of all production processes and best practices. They also provided the required documentation and allowed auditors to interact with employees confidentially.

## **SAFETY – COMPLIANCE**

- 1 Ventilation - The facility maintained a comfortable temperature and a sufficient lighting system and is well ventilated with sufficient exhaust fans on all production floors in the facility.
- 2 Drinkable water facility provided on each production floor and water test result found water suitable for drinking.
- 3 Medical facility available in location. Facility located at a separate shed with a sick bed and sufficient medicine.

## **SAFETY - NON-COMPLIANCE**

- 1 It was noted during the facility visit that the fire alarm bell was non functional due to ongoing maintenance in the vicinity.  
Recommendation: That the facility install a functional fire alarm bell.  
Follow-up: Audit confirmed bell reinstalled and working.
- 2 The fire assembly point for workers was partially obstructed by parked vehicles.  
  
Follow-up: Vehicles were removed and signage was added at assembly point indicating parking restrictions.

## **CHILD LABOUR – COMPLIANCE**

This facility established a policy that will never employ or use any child labour. The facility will verify all workers original national identification card, birth certificate and school certificate at the time of recruitment and keep photocopies in the personnel file.

## **ABUSE – COMPLIANCE**

Through the facility management and workers interviewed it was noted that no physical abuse happened in the facility. The facility installed a complaint box in workers area - no complaints were received.

## **CIVIL RIGHTS – COMPLIANCE**

All workers are provided a letter during recruitment with their salary structure, grade, employment conditions and benefits. All letters containing information on social insurance, casual sick leave and maternity leave are provided to workers as per law.