

# Fair Labor Association: Independent External Factory Assessment

Assessment Date :

**28 Aug 2021**



## Factory Information

FLA Affiliates	Lakeshirts, Inc.
Country	Bangladesh
Number of Workers	298

## Understanding this Report

Companies that join the FLA agree to uphold the FLA Workplace Code of Conduct throughout their entire supply chain. The Code of Conduct is based on International Labour Organization (ILO) standards, and defines labor standards that aim to achieve decent and humane working conditions.

## FLA Code Element

## Number of Violations

Employment Relationship (ER)	12
Harassment Or Abuse (H/A)	1
Health, Safety And Environment (HSE)	14
Hours Of Work (HOW)	1

## Assessment Information

Assessor	SCSA
Assessment Date	28 Aug 2021
Assessment Purpose	Factory Assessment (In-Person)



## ASSESSMENT RESULTS

### Employment Relationship (ER)

Benchmark ID	ER.19.2
Benchmark Details	All notices that are legally required to be posted in the workplace work areas shall be posted by employers.
Finding Details	The facility does not post a COVID-19 awareness poster in workers' native language.
Recommendation for Immediate Action	
Compliance Classifications	Sustainable Improvement Required
Local Law	
Benchmark ID	ER.1.2
Benchmark Details	Employers shall assign responsibility for the administration of human resources to a clearly defined and adequately qualified staff member or staff members and ensure workers at all levels receive communication and training about existing policies and procedures or any revisions.
Finding Details	1. The factory does not provide ongoing training to workers on FLA's code elements or employment functions. 2. Workers working at the childcare center do not receive specific training on health and safety/hygiene.
Recommendation for Immediate Action	
Compliance Classifications	Sustainable Improvement Required

Local Law	Bangladesh Labor Law 2006, Chapter 8, Section 94 (ii)
Benchmark ID	ER.18.2
Benchmark Details	Employers shall ensure managers and supervisors are fully familiar with the workplace disciplinary system and in applying appropriate disciplinary practices.
Finding Details	Based on the management interviews, managers and supervisors are not fully familiar of the workplace disciplinary system. Six out of seven managers and supervisors had poor awareness of the disciplinary system.
Recommendation for Immediate Action	
Compliance Classifications	Sustainable Improvement Required
Local Law	
Benchmark ID	ER.5.1
Benchmark Details	Employers shall ensure that all supervisors are trained in national laws, workplace regulations, and the FLA Code, workplace grievance systems, and the appropriate practices to ensure compliance.
Finding Details	The factory does not provide any specific training to the relevant supervisors that include FLA's Code elements and employment functions
Recommendation for Immediate Action	
Compliance Classifications	Sustainable Improvement Required
Local Law	
Benchmark ID	ER.1.1

Benchmark Details	Employers shall have in place written policies and practices and maintain proper and accurate records governing all aspects of employment from recruitment, hiring and probation, including written terms and conditions of employment, job descriptions, administration of compensation, and working hours for all positions, through to retrenchment and termination processes.
Finding Details	1. The facility does not have any written policies and procedures related to remediation programs in case of any child labor violations. 2. Based on document review, there are no written job descriptions prepared for any positions when personnel need to be hired.
Recommendation for Immediate Action	
Compliance Classifications	Sustainable Improvement Required
Local Law	
Benchmark ID	ER.18.1
Benchmark Details	Employers shall have written disciplinary rules, procedures and practices that embody a system of progressive discipline (e.g. a system of maintaining discipline through the application of escalating disciplinary action moving from verbal warnings to written warnings to suspension and finally to termination).
Finding Details	The facility has written disciplinary policies and procedures but they do not cover most common disciplinary issues, including: the formation of the inquiry committee, the inquiry process, punishment of misconduct, compensation terms, or condition of dismissal cases.
Recommendation for Immediate Action	
Compliance Classifications	Sustainable Improvement Required
Local Law	

Benchmark ID	ER.6.1
Benchmark Details	Employers shall have written policies and procedures and implement practices that encourage ongoing training of all categories of workers with the goal of raising or broadening skills in order to advance in their careers within the factory or beyond.
Finding Details	The facility has not established written policies and procedures on personnel development to encourage the ongoing training with the goal of raising or broadening workers' skills so they can advance in their careers.
Recommendation for Immediate Action	
Compliance Classifications	Sustainable Improvement Required
Local Law	
Benchmark ID	ER.7.1
Benchmark Details	Employers shall have written policies and procedures with regard to performance reviews that outline the review steps and process, demonstrate linkages to job grading, prohibit discrimination, are provided in writing and seek feedback and agreement/disagreement from employees in writing, and that follow all local legal requirements.
Finding Details	The factory has written policies and procedures on performance reviews but they do not include specific steps and processes, linkages to job grading, nondiscrimination, the availability of written feedback, and compliance with legal requirements. Based on document review, workers do not have access to their evaluations or the right to provide feedback on them.
Recommendation for Immediate Action	
Compliance Classifications	Sustainable Improvement Required

Local Law	
Benchmark ID	ER.8
Benchmark Details	Employers shall have written policies and procedures with regard to promotion, demotion, and job reassignment that outline the criteria, demonstrate linkages to job grading, and prohibit discrimination or use of demotion or job reassignment as a form of penalty or punishment, are provided in writing and seek feedback from employees in writing, and follow all local legal requirements.
Finding Details	The factory does not have written policies and procedures on promotion, demotion, or job reassignment.
Recommendation for Immediate Action	
Compliance Classifications	Sustainable Improvement Required
Local Law	
Benchmark ID	ER.19.1
Benchmark Details	Employers shall maintain on file all documentation needed to demonstrate compliance with the FLA Workplace Code and required laws.
Finding Details	1. The facility's trade license expired on July 1, 2021. The facility applied for renewal on June 20, 2021. 2. The facility's Export Promotion Bureau certificate expired on July 1, 2021. The facility applied for renewal on June 20, 2021. 3. Based on the building approval plan issued by the chief labor inspector on May 28, 2018, the total factory area is 17,000 square feet. However, the fire license only covers 15,000 square feet.
Recommendation for Immediate Action	Take the necessary steps to renew the trade license and Export Promotion Bureau Certificate in a timely manner. Ensure that the fire license covers all areas of the facility.
Compliance Classifications	Immediate Action Required



Local Law	The Importers, Exporters & Indenter (Registration) Order 1981, Section 3(1); Fire Protection Act, 2003 (Fire Service & Civil Defiance), Section -4; The Trade Organizations Ordinance 1961, Section 3(1)
Benchmark ID	ER.3.1
Benchmark Details	Employers shall provide an orientation to new employees at the time of hiring, which includes explanations of the employers' rules, compensation package and policies for human resources, grievance systems, industrial relations, including respect of the right to freedom of association, workers' rights and responsibilities, FLA Code of Conduct, health and safety, and environmental protection.
Finding Details	Bases on the document review, the orientation training does not cover all FLA's Code elements.
Recommendation for Immediate Action	
Compliance Classifications	Sustainable Improvement Required
Local Law	
Benchmark ID	ER.1.3
Benchmark Details	Employers should implement an annual, review process with input from workers of all policies, procedures and their implementation to ensure they meet legal requirements and the FLA Workplace Code.
Finding Details	Based on the document review, the factory does not regularly review company policies and procedures on FLA's Code elements or employment functions. The policies and procedures do not include date of preparation, revision number, or next review date.
Recommendation for Immediate Action	
Compliance Classifications	Sustainable Improvement Required

Local Law	
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## Harassment Or Abuse (H/A)

Benchmark ID	H/A.11
Benchmark Details	Employers shall have a system to discipline supervisors, managers or workers who engage in any physical, sexual, psychological or verbal violence, harassment or abuse, through measures such as compulsory counseling, warnings, demotions, and terminations or a combination thereof regardless of whether such action was intended as a means to maintain labor discipline with a view to preventing the reoccurrence of violence and harassment, and facilitating their reintegration into work, where appropriate.
Finding Details	There is no program or system in place to discipline supervisors, managers, and workers who engage in any form of harassment or abuse.
Recommendation for Immediate Action	
Compliance Classifications	Sustainable Improvement Required
Local Law	

## Health, Safety And Environment (HSE)

Benchmark ID	HSE.5.1
Benchmark Details	All applicable, legally required or recommended elements of safe evacuation shall be complied with, including all of the following elements: posting evacuation plans; the installation and maintenance of fire alarms; the installation and maintenance of emergency lighting; ensuring aisles/exits are not blocked and that workers are not blocked within their workstations; employee education and training; and evacuation procedures and fire drills.

Finding Details	1. Movable goods, work stations, and materials are blocking at least four aisles of the sewing section and one aisle of the material warehouse. 2. Co-workers and goods are obstructing at least 10 workers' walkways at the ironing & packing section. 3. The factory has not installed exit signs for at least four designated exits: in the workers' dining hall, staff dining hall, and the generator & compressor room. 4. Necessary information on the evacuation plan is in English instead of the native language for at least three evacuation plot plans. Another evacuation plan is posted too high so cannot be read from the production floor. 5. The evacuation plot plan does not include "You are here" indicators.
Recommendation for Immediate Action	1. Maintain obstacle-free aisles and passages to ensure easy evacuation during an emergency. 2. Install exit signs in the local language at all emergency exits. 3. Make sure all the necessary information on the evacuation plan is in the native language. 4. Maintain all evacuation plot plans at the proper height so that they are easily readable. 5. Add the "You are here" indicator on the evacuation plot plan.
Compliance Classifications	Immediate Action Required
Local Law	Bangladesh Labor Law 2006, Chapter- 6, Section – 62, subsection 6; Bangladesh Labor Rules, 2015, chapter 6, section 55, subsection 8
Benchmark ID	HSE.5.1.2
Benchmark Details	All applicable, legally required or recommended elements of safe evacuation shall be complied with, including all the following elements: installation and maintenance of fire alarms;
Finding Details	The facility has not installed the fire alarm system in the workers' dining hall. Moreover, the facility does not have a smoke detector or PA system throughout the facility.
Recommendation for Immediate Action	Install a fire alarm at the dining hall and install the smoke detector and PA system throughout the facility.
Compliance Classifications	Immediate Action Required

Local Law	Bangladesh Labor Law 2006, Chapter- 6, Section – 62, Sub Section-5; Fire Service & Civil Defense 1959, (E.P. Ord XVII of 1959), Fire Service Rules, 1961, Standard IX; Standard IX, Rule 4, Clause-1 of the Fire Service & Civil Defense 1959 Section 47 (amended on May 27, 1999)
Benchmark ID	HSE.14.1
Benchmark Details	All production machinery, equipment and tools shall be properly guarded and regularly maintained.
Finding Details	The facility does not have a lockout-tagout procedure.
Recommendation for Immediate Action	Properly establish and implement the lockout-tagout procedure and system.
Compliance Classifications	Immediate Action Required
Local Law	
Benchmark ID	HSE.6.1
Benchmark Details	All safety and medical equipment (e.g. fire fighting equipment, first aid kits) shall be available in sufficient numbers throughout the workplace, maintained and stocked as prescribed, and easily accessible to workers.
Finding Details	1. The material warehouse does not have a fire extinguisher, which is approximately 2000 square feet. 2. At least eight fire extinguishers in the production floor do not have the yellow box or floor marking. Goods and materials are blocking at least two fire extinguishers on the main production floor. 3. The facility does not regularly monitor and inspect first aid supplies and medicines maintained on the production floor.
Recommendation for Immediate Action	1. Install fire extinguisher at the medical warehouse. 2. Keep all fire extinguishers easily accessible. 3. Establish a proper monitoring system and procedure to regularly monitor and inspect first aid supplies and medicines.

Compliance Classifications	Immediate Action Required
Local Law	Bangladesh Labor Rules, 2015, chapter 6, section 55, sub section 9; Bangladesh Labor Law 2006, Chapter- 6, Section – 62, sub-section 4
Benchmark ID	HSE.27.1
Benchmark Details	Childcare facilities shall not physically overlap with production areas and children shall not have access to production areas.
Finding Details	The childcare center is located in the production area of the facility. The facility installed a fire resistance door to separate it from the production floor.
Recommendation for Immediate Action	The factory should relocate the childcare center to areas separated from the production areas/floors.
Compliance Classifications	Immediate Action Required
Local Law	Bangladesh Labor Law 2006, chapter 8, section 94
Benchmark ID	HSE.4.1
Benchmark Details	Employers shall at all times be in possession of all legally required and valid permits and certificates related to health, safety, and environmental issues, such as: Purchase and storage of chemicals; Fire safety inspections; Machinery inspections; Waste disposal; Environmental licenses/permits; Sanitation permits, including those required for canteens; and Vehicle inspection and driver permits for all employer provided transportation.
Finding Details	The facility does not have permission for groundwater extraction or usage. The facility applied for permission for groundwater extraction and usage to the relevant authority on August 2, 2021, based on the information and records available.
Recommendation for Immediate Action	Take the necessary initiative to obtain permission for groundwater extraction and use.

Compliance Classifications	Immediate Action Required
Local Law	Bangladesh Water Act 2013, section- 24 (1)
Benchmark ID	HSE.1
Benchmark Details	Employers shall comply with all national laws, regulations and procedures concerning health, safety, and the environment.
Finding Details	1. The workers' dining hall and the compressor boiler rooms are not included in the building approval plan or approved machine layout plan. 2. The facility does not conduct an occupational health check for the generator operator or for workers who are working in hazardous areas, such as the press cutting section and the snap button section. 3. There is no firefighting equipment installed at the waste collection and storage area.
Recommendation for Immediate Action	1. Ensure the dining hall, compressor and boiler rooms are included in the building approval plan and machine layout plan. 2. Conduct occupational health checks for workers in hazardous areas. 3. Install sufficient firefighting equipment at the waste collection and storage area.
Compliance Classifications	Immediate Action Required
Local Law	Bangladesh Labor Rules 2015, Chapter 19, section 353, Sub-Section 1; Bangladesh Labor Law 2006, Chapter- 5, Section – 79
Benchmark ID	HSE.14.3
Benchmark Details	Employers shall ensure safety instructions are either displayed or posted near all machinery or are readily accessible to the workers in language(s) spoken by workers.
Finding Details	The facility has not posted safety instructions at five exhaust fans, two front iron machines at the sewing section, one visor iron machine at the packing section, the curing machine at the packing section, and six snap button machines on the production floor.

Recommendation for Immediate Action	Properly post safety instructions at the areas where these machineries are being used.
Compliance Classifications	Immediate Action Required
Local Law	
Benchmark ID	HSE.29
Benchmark Details	Employers shall provide all necessary protection for workers when working at heights, confined spaces, and other high-risk areas.
Finding Details	The facility does not post danger warning signs and instructions of first aid in at least five electrical panel boards on the production floor and generator/compressor room.
Recommendation for Immediate Action	Post warning signs and the instruction of first aid in case of emergency at all the electrical panel boards.
Compliance Classifications	Immediate Action Required
Local Law	Bangladesh Labor Rules, 2015, chapter 6, section 58 sub section 1; Bangladesh Electricity rules 1937, Clause 47
Benchmark ID	HSE.17.2
Benchmark Details	Employers shall train workers in proper lifting techniques, and items such as lifting belts shall be provided.
Finding Details	The factory does not provide training to workers on ergonomics, including lifting techniques.
Recommendation for Immediate Action	
Compliance Classifications	Sustainable Improvement Required
Local Law	

Benchmark ID	HSE.18.1
Benchmark Details	Medical facilities shall be established and maintained in factories as required by applicable laws.
Finding Details	The facility has a medical facility but the facility does not have wheelchairs, as are legally required. Additionally, there is no segregation between male and female beds, such as a wall or a curtain.
Recommendation for Immediate Action	1. Provide sufficient number of wheelchairs at the medical facility as per legally requirements. 2. Properly segregate the male and female beds.
Compliance Classifications	Immediate Action Required
Local Law	Bangladesh Labor Rules 2015, chapter 8, section 77, Subsection 5(d)
Benchmark ID	HSE.23.1
Benchmark Details	Safe and clean drinking water shall be freely available at all times, within reasonable distance of the workplace. Drinking water shall be of a reasonable temperature. The means to drink water (e.g. cups) must be safe and sanitary and available in an appropriate number.
Finding Details	1. One drinking water station is installed within seven feet of a toilet near the production floor. The legal requirement is that all drinking water should be installed at least 20 feet away from the toilet. 2. The facility does not post the drinking water test report besides all drinking water stations throughout the facility.
Recommendation for Immediate Action	1. Relocate the drinking water station near the toilet to be at least 20 feet from the toilet. 2. Post the drinking water test report at all drinking water stations.
Compliance Classifications	Immediate Action Required
Local Law	Bangladesh Labor Rules, 2015, chapter 5, section 50, Sub Section 1; Sub Section 2



Benchmark ID	HSE.30.2
Benchmark Details	The health, safety, and environmental policies shall contain the framework for a comprehensive health, safety, and environmental management system within which the following are clear and regularly tested and reviewed; procedures for reporting death, injury, illness and other health and safety issues (for instance, near-miss accidents) and environmental emergencies
Finding Details	The facility has tracked all injuries and accidents but has not conducted any formal investigations into accidents to attempt to identify the root causes.
Recommendation for Immediate Action	
Compliance Classifications	Sustainable Improvement Required
Local Law	

Benchmark ID	HSE.10.2
Benchmark Details	Workers shall have free access to MSDS.
Finding Details	The facility has not posted the MSDS of machine oil at the machine oil storage area.
Recommendation for Immediate Action	Post the MSDS of machine oil at the machine storage area.
Compliance Classifications	Immediate Action Required
Local Law	Bangladesh Labor Rules, 2015, chapter 7, section 68, Sub Section 10

## Hours Of Work (HOW)

Benchmark ID	HOW.2
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Benchmark Details	Workers shall be entitled to at least 24 consecutive hours of rest in every seven- day period. If workers must work on a rest day, an alternative consecutive 24 hours must be provided within that same seven-day period or immediately following.
Finding Details	Workers performed four-weekend duty for the period of August 2020 to July 2021 such as July 16, 2021, April 23, 2021, January 8, 2021 and November 6, 2020 to provide additional holiday with the EID Festival holidays. The facility used July 16, 2021 duty to replace with EiD UI Adha 2021, April 23, 2021 duty to replace with EID UI Fitre 2021, and January 6, 2021 & November 6, 2020 duty to replace with EID UI Adha 2020.
Recommendation for Immediate Action	Ensure that workers are provided with one day off in a week as weekly holiday as per the prevailing legislation.
Compliance Classifications	Immediate Action Required
Local Law	Bangladesh Labor Law, Chapter-9, section-103

