

Fair Labor Association: Independent External Factory Assessment

Assessment Date :

06 Aug 2022



Factory Information

FLA Affiliates	Mainland Headwear Holdings Lim
Country	Bangladesh
Number of Workers	4225

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

FLA Code Element	Number of Violations
Compensation (C)	4
Employment Relationship (ER)	14
Freedom Of Association And Collective Bargaining (FOA)	1
Harassment Or Abuse (H/A)	1
Health, Safety And Environment (HSE)	22
Hours Of Work (HOW)	8

Assessment Information

Assessor	Insync
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Assessment Date	06 Aug 2022
Assessment Purpose	Factory Assessment (In-Person)

ASSESSMENT RESULTS

Compensation (C)

Benchmark ID	C.25.2
Benchmark Details	Advances shall only be made following clearly established rules which have been communicated to workers.
Finding Details	There is no formally defined procedure for providing advances. If workers request advances in the time leading up to festival periods, the factory makes advances against monthly salaries.
Recommendation for Immediate Action	
Compliance Classifications	Sustainable Improvement Required
Local Law	
Benchmark ID	C.7
Benchmark Details	All payments to workers, including hourly wages, piecework, fringe benefits and other incentives shall be calculated, recorded, and paid accurately.
Finding Details	The factory's wage records accurately reflect and calculate all working hours (both regular and overtime) that are within legal limits. However, workers reported being paid in cash every 15 days for additional overtime hours. Worker interviews also indicated that most workers receive more wages than the amounts reflected in the wage records, indicating that they receive additional compensation for undisclosed overtime hours. The factory did not disclose any pay records for these extra overtime hours. Therefore, the assessment could not verify whether the factory paid the workers properly for these hours. See findings HOW.21; HOW.22.2; and HOW 22.5 for additional details.

Recommendation for Immediate Action	Maintain full and accurate pay and time records for all workers, covering all hours both regular and overtime. Maintain these records on file and provide them for review.
Compliance Classifications	Immediate Action Required
Local Law	
Benchmark ID	C.1.1
Benchmark Details	Employers shall comply with all national laws, regulations and procedures concerning the payment of compensation to workers.
Finding Details	1. The factory pays maternity benefits to workers up to 2 days after notice is provided, rather than immediately. 2. The factory does not use the legally-required Form 18B to record workers' notifications of childbirth. 3. Based on information gathered from workers interviewed, some machine operators and supervisors receive incentive bonuses known as the "star allowance" and "stitch allowance". The factory's human resources staff reported that no such allowance was authorized and suggested that production supervisors may be providing such allowances themselves in order to motivate workers.
Recommendation for Immediate Action	1. Ensure timely payment of maternity benefits. 2. Ensure that legally required documents are used to notify childbirths. 3. Enshrine all pay practices, including incentives, in official policies and procedures that are applied consistently and transparently.
Compliance Classifications	Immediate Action Required

Local Law	<p>1. Bangladesh Labour Act 2006 (ammended in 2015) - CHAPTER IV -MATERNITY BENEFIT - 47. Procedure regarding payment of maternity benefit(4) An employer shall pay maternity benefit to a woman in any of the following ways as that woman may desire, namely: (a) where a certificate from a registered medical practitioner is produced stating that the woman is expected to be confined within 8 (eight) weeks the maternity benefit payable for 8 (eight) weeks preceding delivery shall be paid within 3 (three) working days following the production of the certificate, and such benefit payable for the remaining period shall be paid within 3 (three) working days of the production of proof that she has given birth to a child. 2. Bangladesh Labour Rules 2015 - Maternity benefit - Form-18(a) [Section 47(2)(4) & 47(1) and Rule 39(1)] Notice for informing about pregnancy 3.</p>
Benchmark ID	C.21.1
Benchmark Details	Employers shall provide all legally mandated benefits, including holidays, leave, bonuses, severance payments and 13th month payments to all eligible workers within legally defined time periods.
Finding Details	Workers who resign from the factory receive termination payouts within legally defined timelines. However, workers whose employment is terminated due to excessive absenteeism come to the factory to collect the payout in person, which causes the payout to take place outside the legally defined timeline. Management explained that these delays stem from the fact that payouts are made in person.
Recommendation for Immediate Action	Ensure timely payment of final payouts to all workers.
Compliance Classifications	Immediate Action Required
Local Law	Bangladesh Labor Rules 2015- Rule 112 (4): If a worker’s job is scrapped/cancelled due to layoff, discharge, termination, expel, resignation by the worker or for any other reasons, the arrear wages of the worker have to be paid within 7 (seven) working days after cancellation of the job and the compensation and other dues must be paid within maximum 30 (thirty) working days after cancellation of the job.

Employment Relationship (ER)

Benchmark ID	ER.17.5
Benchmark Details	Employers shall have in place procedures to track the number, types, and timing and resolution of grievances, and to communicate the resolution of grievances to the workforce.
Finding Details	1. The factory does not maintain logs for grievances that workers report via the Hotline or via contacting management directly. The grievance log only captures grievances reported verbally to Welfare Officers, via the Worker Committee, and via the grievance/suggestion box. 2. The grievance log does not include information on actions taken in response to grievances. There are no management signatures acknowledging actions taken or worker signatures acknowledging satisfactory resolution of grievances. Most grievances recorded in the log concern Health & Safety issues.
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 Welfare Officers hired in February 2022 and July 2022 were not aware of FLA Benchmarks and Employment Functions. 2. The assessor interviewed randomly-selected workers whose names were listed on attendance sheets for employment relations trainings in the past 6 months. Most of these workers confirmed that they had not attended the training programs and were asked to sign the sheet at their work stations. These workers were not aware of most employment functions.

Recommendation for Immediate Action	
Compliance Classifications	Sustainable Improvement Required
Local Law	
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	Supervisors and managers in the factory are not fully aware of the factory's disciplinary procedures. They do have general basic knowledge on how to handle worker misconduct and discipline issues.
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 training to relevant supervisors that include all FLA Code elements and Employment Functions.
Recommendation for Immediate Action	
Compliance Classifications	Sustainable Improvement Required

Local Law	
Benchmark ID	ER.17.1
Benchmark Details	Employers shall have a clear and transparent system of worker and management communication that enables workers to consult with and provide input to management. This might include suggestion boxes, worker committees, designated spaces for worker meetings, union representatives, and meetings between management and workers' representatives.
Finding Details	1. There are no written procedures defining timelines or responsibilities for addressing grievances. There is no procedure on how the factory will inform workers who submit grievances about the resolutions. 2. Factory management opens the grievance/suggestion boxes every week. The grievance box log, however, does not record the date and time when the box is opened. 3. Awareness of grievance procedures is low among workers. In the past 12 months, 207 out of 6805 workers received training on grievance procedures.
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.

<p>Finding Details</p>	<p>1. The written policy on recruitment and hiring does not include information on recruitment of support service workers (security guards, housekeeping workers). The accompanying procedures do not specify the managers responsible for recruitment and hiring procedures. There is no information on steps to be followed as part of the recruitment and hiring process. The requirement to review and update information on individual files of workers is not defined. The requirement to provide an employee identity card and an appointment letter with terms of employment upon hiring is not included. 2. The factory does not have written procedures on nondiscrimination. 3. The factory does not have written procedures on forced labor. 4. The factory has some documents in place to manage termination and retrenchment, but these policies/procedures do not govern all key aspects. 5. Job descriptions are only in place for Packers, Loaders, Security Guards, and Store In Charge positions. No other positions, production or nonproduction, in the factory have job descriptions.</p>
<p>Recommendation for Immediate Action</p>	
<p>Compliance Classifications</p>	<p>Sustainable Improvement Required</p>
<p>Local Law</p>	
<p>Benchmark ID</p>	<p>ER.18.1</p>
<p>Benchmark Details</p>	<p>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).</p>
<p>Finding Details</p>	<p>1. The factory does not have written procedures on Workplace Conduct and Discipline. 2. For most forms of worker misconduct, the factory does not document the disciplinary action taken. Only discipline for unauthorized absences is documented. Disciplinary actions for issues such as fighting with co-workers, shouting in the work area, and production-related mistakes have gone undocumented.</p>

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 factory does not have any written policies and procedures on personnel development at all.
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.

<p>Finding Details</p>	<p>1. The factory does not have policies and procedures on performance reviews that include steps and processes, linkages to job grading, nondiscrimination, written feedback, and compliance with legal requirements 2. The factory performs an initial performance review of workers at the time of hiring. Based on these results and the nature of the job, Production and HR managers issue a performance evaluation. Subsequently, management conducts performance evaluations periodically, with no fixed schedule. Managers do not follow a set of defined criteria for grading performance evaluations, leading to a risk of inconsistent and/or biased decisions.</p>
<p>Recommendation for Immediate Action</p>	
<p>Compliance Classifications</p>	<p>Sustainable Improvement Required</p>
<p>Local Law</p>	
<p>Benchmark ID</p>	<p>ER.8</p>
<p>Benchmark Details</p>	<p>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.</p>

<p>Finding Details</p>	<p>1. The factory does not have policies or procedures on promotion, demotion, and job reassignment 2. The factory does not have a formally defined procedure for conducting performance evaluations of workers. Management explained that Welfare Officers and Industrial Engineering managers interact verbally with workers throughout their employment and designate workers for promotions and raises. Their list of designated workers is provided to the HR department, which then processes the promotion/raise. Management could not share any documentation pertaining to evaluations or recommendations. 3. The factory provides all workers with a 5% annual raise as legally required. Based on verbal feedback from supervisors, some workers receive an additional 2% to 3% raise. There is no documentation or defined criteria for such recommendations. This lack of documentation poses a risk that the factory might not evaluate workers consistently, accurately, and fairly. This in turn leads to a risk if promotions and raises being given out inaccurately or unfairly.</p>
<p>Recommendation for Immediate Action</p>	
<p>Compliance Classifications</p>	<p>Sustainable Improvement Required</p>
<p>Local Law</p>	
<p>Benchmark ID</p>	<p>ER.4</p>
<p>Benchmark Details</p>	<p>Employers shall inform workers about workplace rules, environmental protection systems, health and safety information, and laws regarding workers’ rights with respect to freedom of association, compensation, working hours, and any other legally required information, and the FLA Code through appropriate means, including posted in local language(s) throughout the workplace’s common areas.</p>
<p>Finding Details</p>	<p>1. The factory does not provide regular communication to workers on all FLA Code elements and Employment Functions. 2. The FLA Code is posted in English but not in the local language. The FLA Code is not communicated specifically to employees, and non of the workers interviewed were aware of FLA. The FLA Participating Company's Code of Conduct, however, is posted in both languages.</p>

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	<p>1. The factory provides appointment letters and identity cards 2 to 7 days after hire, which violate local law's requirement to issue them on the day of hire. 2. In approximately 76% of the sampled employment records, the worker's employment documentation was incomplete. Examples include missing appointment letters, appointment letters without key information such as worker names and designations, job applications with missing information, although all these documents are signed by the workers. 3. Management took more than 3 hours to share the employment records requested for sampling. Management explained that the files are stored in 4 separate locations and required some time to collect. A review of documents for 10 workers who were promoted in the previous 2 months revealed that in 6 cases, the worker's signature was noticeably different across the appointment letter, letter of promotion, and job application form. The assessment verified that the workers' signatures on their job application was genuine, raising questions about the veracity of signatures on the other documents. Combined with the delay in providing records, this finding raises questions about the veracity of the sampled documents.</p>
Recommendation for Immediate Action	1. Issue appointment letters and obtain worker signature on the day of hire. 2. Maintain complete employment documentation for all workers. 3. Retain employment documents for easy access.
Compliance Classifications	Immediate Action Required

Local Law	1.Bangladesh Labor Rules 2015- Rule 19 (1): No owner can appoint any worker without giving the letter of appointment.
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	The orientation program does not include information on recruitment and hiring, personnel development, termination and retrenchment, freedom of association, or workplace conduct and discipline.
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	Workers are not consulted or integrated into the decision-making process for decisions impacting their working conditions (e.g., creation or revision of policies and procedures, changes in production processes, hours of work, etc.)
Recommendation for Immediate Action	
Compliance Classifications	Sustainable Improvement Required

Local Law	
Freedom Of Association And Collective Bargaining (FOA)	
Benchmark ID	FOA.1.1
Benchmark Details	Employers shall comply with all national laws, regulations and procedures concerning freedom of association and collective bargaining. national laws, rules, and procedures protecting the rights of workers to organize and bargain collectively. Where local laws and FLA standards differ, the employer is expected to follow the highest applicable standard.
Finding Details	1. The factory provided minutes of the Participation Committee (Workers Committee) meetings for the past 6 months. Records prior to 6 months were not available. Management stated that the responsible person for maintaining this documentation was on maternity leave. 2. The President of the Participation Committee (Managing director of the factory) did not attend meetings in the past 6 months.
Recommendation for Immediate Action	
Compliance Classifications	Sustainable Improvement Required
Local Law	

Harassment Or Abuse (H/A)

Benchmark ID	H/A.8.3
Benchmark Details	Employers, shall develop, implement and monitor policy and procedures for eliminating the risk of violence, harassment, and abuse in the workplace. Policies and procedures shall include a clear statement that violence, harassment, and abuse will not be tolerated, procedures for the investigation of allegations, and measures to protect any complainants, victims, and witnesses.

Finding Details	The factory does not have written procedures on Harassment and Abuse.
Recommendation for Immediate Action	
Compliance Classifications	Sustainable Improvement Required
Local Law	

Health, Safety And Environment (HSE)

Benchmark ID	HSE.6.2
Benchmark Details	A sufficient number of workers shall be trained in first aid and firefighting techniques. Training shall be upon hire and with periodic refresher training.
Finding Details	1. The factory has trained 3% of workers on the use of fire extinguishers; local law requires a minimum of 6%. 2. Members of the fire brigade do not receive training on their specific responsibilities.
Recommendation for Immediate Action	Train an adequate number of workers on the use of fire extinguishers. Train members of the fire brigade on their specific responsibilities.
Compliance Classifications	Immediate Action Required
Local Law	Bangladesh Labour Rules 2015 -Sixth Chapter Security - 55. Fire extinguisher and water supply: (10) If possible, all workers or at least 18% of the workers employed in each department have to be trained on fire-fighting, emergency rescue operation, first aid and the usage of portable fire-repellant instruments. And the security has to be ensured by dividing the trained workers into fire-fighting team, rescue team and first aid team (6% members in each team) and the records related herewith have to be preserved in accordance with Form- 22

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. In times of evacuation, the assembly area where staff should meet after evacuating is not specifically designated. In practice, the open area located in between the factory building and the main gate is used as an assembly area. The assessment observed that part of this area was occupied with parked cargo trucks and 2-wheelers. The security screening booths also take up part of this area. 2. The evacuation route and aisle markings on the floor are faded in all work areas. The evacuation routes in between sewing lines in building #11 (the newest building) are not marked or maintained clear of obstructions.
Recommendation for Immediate Action	1. Evacuation assembly areas should be specifically designated and kept clear at all times. 2. The evacuation route and aisle markings on the floor in all work areas should be kept prominently visible at all times. All evacuation routes should be kept fully clear at all times.
Compliance Classifications	Immediate Action Required
Local Law	Bangladesh Labour Act 2015 - CHAPTER VI - SAFETY- Section 62 - Precaution as to fire (6) A free passage-way giving access to each way of exit in case of fire shall be provided for the use of the workers in every room of the establishment
Benchmark ID	HSE.5.1.6
Benchmark Details	All applicable, legally required or recommended elements of safe evacuation shall be complied with, including all the following elements: evacuation procedures and fire drills

Finding Details	The factory does not conduct an assessment after evacuation drills to learn how to improve the evacuation process.
Recommendation for Immediate Action	
Compliance Classifications	Sustainable Improvement Required
Local Law	
Benchmark ID	HSE.5.1.3
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 emergency lighting
Finding Details	One of the two exits from the Canteen and Dining shed does not have an illuminated exit sign. Neither exit has a high-beam/industrial-strength emergency light installed.
Recommendation for Immediate Action	Install illuminated exit signs and high-beam emergency lights above both exits from the Dining area.
Compliance Classifications	Immediate Action Required
Local Law	Bangladesh Labour Act 2015 - CHAPTER VI - SAFETY- Section 62 - Precaution as to fire (6) A free passage-way giving access to each way of exit in case of fire shall be provided for the use of the workers in every room of the establishment
Benchmark ID	HSE.5.1.4
Benchmark Details	All applicable, legally required or recommended elements of safe evacuation shall be complied with, including all the following: ensuring aisles/exits are not blocked and that workers are not blocked within their workstations

Finding Details	The passages by which sewing machine operators enter and leave their work station are partially, and in some instances completely, blocked by bins or by other work stations. In some cases, workers are completely caged into their workstations with products, leaving no access to passages behind them. Some sewing machine workstations are stationed in evacuation routes, blocking the routes and restricting free movement. During the assessment, the evacuation passages on one side of the sewing floors in building #1 were completely blocked with cartons.
Recommendation for Immediate Action	At all times, maintain clear and unrestricted access along all passages and evacuation routes from all work areas.
Compliance Classifications	Immediate Action Required
Local Law	Bangladesh Labour Act 2015 - CHAPTER VI - SAFETY- Section 62 - Precaution as to fire (6) A free passage-way giving access to each way of exit in case of fire shall be provided for the use of the workers in every room of the establishment
Benchmark ID	HSE.9.1
Benchmark Details	All chemicals and hazardous substances shall be properly labeled and stored in secure and ventilated areas and disposed of in a safe and legal manner, in accordance with applicable laws and international standards.
Finding Details	1. Access to the diesel storage area located adjacent to the power generator room is not restricted. 2. The secondary containment for seven 200-liter diesel barrels is inadequate to contain leaks.
Recommendation for Immediate Action	1. Access to the diesel storage area located adjacent to the power generator room should be restricted only to authorized and necessary personnel. 2. Adequate secondary containment should be provided for the seven 200-liter diesel barrels to contain leaks.
Compliance Classifications	Immediate Action Required
Local Law	Factories Rules 1979- Rule 43: No materials or equipment shall be stacked or stored in such a manner as to cause risk of bodily injury.

Benchmark ID	HSE.19
Benchmark Details	All facilities including workplace buildings, toilets, canteens, kitchens, and clinics, shall be kept clean and safe and be in compliance with all applicable laws, including relevant sanitation, medical, and safety and health regulations.
Finding Details	The factory's bathrooms do not have hand drying facilities.
Recommendation for Immediate Action	Install hand drying facilities in the bathrooms.
Compliance Classifications	Immediate Action Required
Local Law	
Benchmark ID	HSE.13
Benchmark Details	All necessary ventilation, plumbing, electrical, noise and lighting services shall be installed and maintained to conform to applicable laws and to prevent or minimize hazardous conditions to workers in the facility.
Finding Details	1. The factory measures and records the temperature at work areas daily, but does not analyze results to improve conditions. 2. The assessment observed lint on fans and lights in work areas.
Recommendation for Immediate Action	1. Analyze the results of temperature measurements at the workplace to improve ventilation if required. 2. Electrical installations should be kept free of lint build-up.
Compliance Classifications	Immediate Action Required
Local Law	Factories Rules 1979- Rule 41 (1): In every factory all electric supply lines and apparatus shall be of proper size and sufficient strength and shall be constructed, situated, protected, worked and maintained in such a manner as to cause no risk of bodily injury.
Benchmark ID	HSE.14.1

<p>Benchmark Details</p>	<p>All production machinery, equipment and tools shall be properly guarded and regularly maintained.</p>
<p>Finding Details</p>	<p>1. Traffic lanes and walk paths are not marked inside the factory. Speed breakers and convex mirrors are not installed at blind turns. 2. Forklift vehicle operators do not hold appropriate licenses to drive forklift vehicles. The drivers hold a license to drive passenger cars, motorbikes, and buses. 3. Sewing machine operators have pushed the needle guards out of position on their machines, rendering them ineffective in preventing injury. 4. Finger guards are not installed on snap button machines to prevent injury to the fingers of workers. The pedal guard on some snap button machines was made nonfunctional by lifting and securing them upwards. 5. The belt cover was missing on one of the three kanchai cutting machines. 6. Auto-stop sensors are not installed on auto layering machines. 7. Lifts are inspected by the factory's maintenance team and by persons from an external firm with whom the factory has a written agreement for inspections. Reports from the external firm are written and signed by inspectors on plain sheets of paper with no information on the name of the inspectors. There is no documented evidence to suggest that the inspectors are competent or qualified to inspect lifts as legally required. The reports are not up to local law's standards to be considered valid and acceptable, and suggest a risk that lifts may be inspected and certified by unauthorized and/or unqualified persons. 8. The factory uses 2 forklift vehicles, which are not inspected at all. 9. The factory uses external cargo vehicles and passenger vehicles, but does not inspect them at all.</p>
<p>Recommendation for Immediate Action</p>	<p>1 Traffic lanes and walk paths should be marked inside the factory. Speed breakers and convex mirrors should be installed at blind turns. 2. Forklift operators should have an appropriate license for the vehicle. 3. Needle guards should be maintained in place by sewing machine operators to prevent injury to the finger of the operator. 4. Finger guards should be installed on snap button machines to prevent injury to the fingers of workers. The pedal guard on all snap buttons should be functional at all times. 5. Belt cover should be installed on kanchai cutting machines that are missing the guard. 6. Auto stop sensors should be installed on auto layering machines. 7. Lifts should be inspected by qualified persons with proper documentation maintained. 8. Forklifts should be inspected as required by local law. 9. External cargo vehicles and passenger vehicles should be inspected periodically.</p>

Compliance Classifications	Immediate Action Required
Local Law	<p>1. Factories Rules 1979- Rule 39: No railway or other electrical or mechanical means of transport within the precincts of a factory shall be constructed, situated, operated or maintained in such a manner as to cause risk of bodily injury.</p> <p>2. Factories Rules 1979- Rule 39: No railway or other electrical or mechanical means of transport within the precincts of a factory shall be constructed, situated, operated or maintained in such a manner as to cause risk of bodily injury.</p> <p>3. Factories Rules 1979- Rule 40: No machinery, plant or equipment shall be constructed, situated, operated or maintained in any factory in such a manner as to cause risk of bodily injury.</p> <p>4. Factories Rules 1979- Rule 40: No machinery, plant or equipment shall be constructed, situated, operated or maintained in any factory in such a manner as to cause risk of bodily injury.</p> <p>5. Factories Rules 1979- Rule 40: No machinery, plant or equipment shall be constructed, situated, operated or maintained in any factory in such a manner as to cause risk of bodily injury.</p> <p>6. Factories Rules 1979- Rule 40: No machinery, plant or equipment shall be constructed, situated, operated or maintained in any factory in such a manner as to cause risk of bodily injury.</p> <p>7. Bangladesh Labour Act 2015 - Section 69. Hoists and lifts. (1) Every hoist and lift in every establishment shall be - (c) thoroughly examined by a competent person at least once in every 6 (six) months, and a register shall be maintained containing such particulars, of every examination as may be prescribed by the rules Bangladesh Labour Rules 2015 - Here, 'Competent Person' means any person who is at the supervisory level of the workshop from Mechanical Department of any Engineering University. In addition, persons or institutes announced from time to time as per Form 30 by the government shall also be included in this definition.</p> <p>8. Factories Rules 1979- Rule 39: No railway or other electrical or mechanical means of transport within the precincts of a factory shall be constructed, situated, operated or maintained in such a manner as to cause risk of bodily injury.</p> <p>9. Factories Rules 1979- Rule 39: No railway or other electrical or mechanical means of transport within the precincts of a factory shall be constructed, situated, operated or maintained in such a manner as to cause risk of bodily injury.</p>
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	The factory has 142 fire shoes, 206 helmets, 174 gas masks, 174 pairs of hand gloves, and 165 fire blankets on hand. These amounts are not sufficient for use by 563 members of the firefighting team.
Recommendation for Immediate Action	Provide adequate equipment to the firefighting team.
Compliance Classifications	Immediate Action Required
Local Law	Factories Rules 1979- Rule 42: No process or work shall be carried on in any factory in such a manner as to cause risk of bodily injury.
Benchmark ID	HSE.22.2
Benchmark Details	All workers handling food must be trained and/or certified to work in the facility preparing or serving food.
Finding Details	Cleaning workers working in the canteen do not receive specific health and safety/hygiene training. Food is not prepared in the canteen, but the work of the cleaning staff impacts the food safety/hygiene conditions in the canteen.
Recommendation for Immediate Action	
Compliance Classifications	Sustainable Improvement Required
Local Law	
Benchmark ID	HSE.1
Benchmark Details	Employers shall comply with all national laws, regulations and procedures concerning health, safety, and the environment.

Finding Details	<p>1. The factory's fabric racks do not have posted load capacities/limits to allow for checking of safe storage practices. 2. Evacuation drill logs reveal that multiple drills ended at exactly the same time. For example, drills ended at exactly 11 hours:39 minutes:45 seconds on both December 20, 2021 and on August 16, 2021. These two drills included 4546 workers and 3728 workers, respectively. Similarly, drills ended at exactly 11 hours:37 minutes :40 seconds on December 20, 2021 for 716 workers and on August 16, 2021 with 583 workers. 3. The flashers on the factory's forklifts were not working at the time of the assessment. The forklifts did not have warning alarms installed on forklift vehicles to warn traffic in front of the risk from low, extended forks.</p>
Recommendation for Immediate Action	<p>1. Load capacity should be marked on fabric racks to monitor safe storage practices. 2. Logs of evacuation drills should provide accurate information on all drills conducted. 3. Flashers on forklifts should be effective and warning alarm should be installed on all forklifts to warn traffic in front.</p>
Compliance Classifications	Immediate Action Required
Local Law	<p>1. Factories Rules 1979- Rule 43: No materials or equipment shall be stacked or stored in such a manner as to cause risk of bodily injury. 2. Factories Rules 1979- Rule 39: No railway or other electrical or mechanical means of transport within the precincts of a factory shall be constructed, situated, operated or maintained in such a manner as to cause risk of bodily injury.</p>
Benchmark ID	HSE.28
Benchmark Details	<p>Employers shall create a system to ensure that all necessary Health and Safety protections are provided for external contractors; including protection when working within , confined spaces, maintenance issues, and general Health and Safety Issues.</p>
Finding Details	<p>The factory does not provide any safety information to contractors or external workers. External construction, engineering, and maintenance workers periodically work at the factory.</p>
Recommendation for Immediate Action	

Compliance Classifications	Sustainable Improvement Required
Local Law	
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	1. There are no safety warning signs posted near the laser machines. 2. There are safety instructions posted near "plain machines" (the factory's term for normal sewing machines), but not near several other types of machinery including embroidery machines, ironing machines, hot mold machines, Kanchai cutting machines, band knife cutting machines, laser cutting machines, visor stitching machines, Velcro attaching machines, and eyelet machines.
Recommendation for Immediate Action	Post safe operating instructions in the workforce's languages near all machinery used in the factory.
Compliance Classifications	Immediate Action Required
Local Law	Factories Rules 1979- Rule 40: No machinery, plant or equipment shall be constructed, situated, operated or maintained in any factory in such a manner as to cause risk of bodily injury.
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	1. Confined spaces in the factory are not fenced off. There are no markings or safety signs posted at these areas. 2. The factory does not have defined procedures for entering confined spaces. 3. The assessment found that fall safety devices (safety shoes, helmet, and safety rope) are provided to workers. The assessment observed, however, that maintenance workers working at heights were not using them.

Recommendation for Immediate Action	1. Confined spaces should be marked, fenced and safety signs posted to warn workers. 2. Factory should have defined procedures for entering confined spaces. 3. Maintenance workers working at height should be trained on the use of fall safety devices and supervised to ensure compliance.
Compliance Classifications	Immediate Action Required
Local Law	1. Factories Rules 1979- Rule 42: No process or work shall be carried on in any factory in such a manner as to cause risk of bodily injury. 2. Factories Rules 1979- Rule 42: No process or work shall be carried on in any factory in such a manner as to cause risk of bodily injury. 3. Factories Rules 1979- Rule 42: No process or work shall be carried on in any factory in such a manner as to cause risk of bodily injury.
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	In the past 12 months, 205 out of 6805 workers received training on ergonomics. The factory does not provide any training on safe lifting techniques. The factory does not provide lifting belts to loaders/unloaders. During the factory tour, the assessor observed loaders balancing multiple packed cartons on their head or resting them on their waists in the finished goods warehouse. The assessment found that awareness of safe ergonomic practices was low among workers.
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 factory employs one doctor, whereas local law requires 2 doctors for a workforce of its size. There is not an attached bathroom in the medical room, as legally required. No ambulance is available at the factory.
Recommendation for Immediate Action	Retain one additional doctor. Install an attached bathroom for the medical room.
Compliance Classifications	Immediate Action Required
Local Law	Bangladesh Labour Rules 2015 - Chapter Eight Welfare Arrangements-78) Health Center: 1) As per the regulations of Section 89(6), if minimum 5000 workers and employees work in the institute/s that is/are owned by the same Owner:a) The Owner of the institute shall establish a Health Center. Following number of medical staff must be in the Health Center in order to provide treatment facilities to workers/employees: i) At least 2 registered Physicians for 5000 to 7500 workers-employees. d) Following facilities must remain in each Health Center of the institute ii) Separate bathroom and toilet and separate room for infectious diseases;
Benchmark ID	HSE.30.2.6
Benchmark Details	The health, safety, and environmental policies shall contain the framework for a comprehensive health, safety, and environmental management system including a HS&E risk assessment within which the following are clear and regularly tested and reviewed:protections to workers who allege health, safety, and environmental violations;
Finding Details	The factory has conducted a workplace safety assessment to identify hazards and propose actions to remediate these hazards. The factory has not, however, conducted a full risk assessment to calculate the risk levels of these possible hazards based on frequency, severity, etc.

Recommendation for Immediate Action	
Compliance Classifications	Sustainable Improvement Required
Local Law	
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	Factory records do not show any major accidents or injuries. However, the factory does not investigate or analyze those incidents that do occur in an attempt to identify root causes.
Recommendation for Immediate Action	
Compliance Classifications	Sustainable Improvement Required
Local Law	
Benchmark ID	HSE.8
Benchmark Details	Workers shall be provided with training on the use and maintenance of personal protective equipment. Training shall be upon hire with periodic refresher training offered to all workers. Management will ensure use of PPE as necessary.

Finding Details	<p>1. The assessment observed some workers operating the snap button machine without using the provided eye shields. 2. The assessment observed some mechanics and maintenance staff working without hand gloves and safety shoes, increasing the risk of injury. 3. The assessment observed a worker operating the laser holing machine without protective eyeglasses. The worker had the glasses perched on his forehead. 4. The assessment observed a band knife machine operator using only one metal mesh hand glove, instead of two. 5. The assessment observed a forklift operator operating the forklift without a safety helmet or safety shoes. 6. Only 245 out of 6805 workers have received training on PPE in the previous 12 months. 7. The assessment found that awareness of the importance of PPE and if its proper use was low among workers.</p>
Recommendation for Immediate Action	<p>1. Ensure that all workers operating snap button machines use the eye shields provided. 2. Ensure that all mechanics and maintenance staff use hand gloves and safety shoes while working. 3. Ensure that all workers working on laser holing machines use protective eyeglasses. 4. Ensure that band knife machine operators use mesh hand gloves on both hands while operating the machine. 5. Ensure that forklift operators use safety helmets and safety shoes while operating forklift vehicles.</p>
Compliance Classifications	Immediate Action Required
Local Law	Factories Rules 1979- Rule 40: No machinery, plant or equipment shall be constructed, situated, operated or maintained in any factory in such a manner as to cause risk of bodily injury.
Benchmark ID	HSE.14.2
Benchmark Details	Workers shall receive training in the proper use and safe operation of machinery, equipment and tools they use.

Finding Details	1. The factory does not provide training to workers on safe operation of machinery and vehicles. Management explained that the factory hires experienced and trained machine operators, therefore such training is not necessary. 2. The factory does not provide safety training to workers with special high-risk responsibilities (working with lasers, working with radiation, electrical work, work in confined spaces, work at heights, work requiring lockout/tagout).
Recommendation for Immediate Action	1. Provide training and refreshers on safe operation of machinery and vehicles. 2. Provide training and refreshers to workers with high-risk job tasks on the particular safety requirements of these tasks.
Compliance Classifications	Immediate Action Required
Local Law	
Benchmark ID	HSE.17.1
Benchmark Details	Workstations, including seating and standing arrangements and reach required to obtain tools, shall be designed and set-up in such a manner as to minimize bodily strains.
Finding Details	1. Workers who are seated for their jobs use hard wooden chairs. Some workers used a cushion or folded fabric to sit on. 2. The factory does not provide anti-fatigue mats for workers who stand at their workstations. The assessment observed some workers standing bare-footed on hard cement floors and others who were resting their feet on the support arms of tables. 3. Work stations are not adjustable in height to suit the height of workers.
Recommendation for Immediate Action	1. Workers with sitting jobs should be provided with chairs that have backrests, adjustable height, and a cushion. 2. Anti-fatigue mats should be provided for workers with standing jobs. 3. Work stations should be adjustable in height to suit the height of workers.
Compliance Classifications	Immediate Action Required

Local Law	1. Factories Rules 1979- Rule 40: No machinery, plant or equipment shall be constructed, situated, operated or maintained in any factory in such a manner as to cause risk of bodily injury. 2. Factories Rules 1979- Rule 40: No machinery, plant or equipment shall be constructed, situated, operated or maintained in any factory in such a manner as to cause risk of bodily injury.
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Hours Of Work (HOW)

Benchmark ID	HOW.22.2
Benchmark Details	Accurate time records shall be maintained by employers, including overtime, breaks, and leave.
Finding Details	Workers interviewed confirmed that they work overtime hours in addition to those reflected on their time cards, including cases of 8-hour overtime shifts, and that they receive compensation for these additional overtime hours. There is adequate evidence to confirm that sampled workers were paid an "Additional Extra Overtime" (AEOT) Allowance in May 2022 and June 2022. Management denied knowledge of this practice and denied making payments of any such allowance. The assessment gathered and reviewed sufficient evidence to confirm that the time records provided for review were incomplete and inaccurate and do not reflect actual overtime hours. See findings C.7; HOW.21; and HOW 22.5 for additional details.
Recommendation for Immediate Action	Factory needs to be transparent in sharing information on working hours.
Compliance Classifications	Immediate Action Required
Local Law	
Benchmark ID	HOW.1.1
Benchmark Details	Employers shall comply with all national laws, regulations and procedures concerning hours of work, public holidays and leave.

Finding Details	1. A review of time cards for sampled workers from July 2022, January 2022, and October 2021 revealed that workers work overtime on a daily basis as a systematic practice. 2. The factory's embroidery section works in three shifts. However, the factory has only obtained local authorities' approval for the working hours of one of those shifts (the 3rd shift). Similarly, the sewing and finishing sections work in two shifts, but the factory has only obtained approval for one of those shifts.
Recommendation for Immediate Action	1. Ensure that workers do not work overtime daily as a routine practice. 2. Obtain legal approval for all work shifts and update as needed.
Compliance Classifications	Sustainable Improvement Required
Local Law	Bangladesh Labor Rules 2015- Rule 105 (1) & (2) : The working hours of adult workers have to be approved by the Inspector in accordance with Form-37, 37(a) or 37 (b) in respective cases. After receiving approval of the Inspector on the notice mentioned in Sub-section (1), the copy of the approved notice must be hung in an easily noticeable place so that all workers can be informed about it.
Benchmark ID	HOW.22.1
Benchmark Details	Employers shall have in place policies for managing all working hour, overtime, and leave records in normal and exceptional circumstances.
Finding Details	The factory's policy on working hours does not provide information on shifts, breaks, and rest days in the factory. The factory does not have written procedures on working hours; however, there are systems to manage working hours.
Recommendation for Immediate Action	
Compliance Classifications	Sustainable Improvement Required
Local Law	

Benchmark ID	HOW.3
Benchmark Details	Employers shall provide reasonable meal and rest breaks, which, at a minimum, must comply with national laws.
Finding Details	Although the factory designates time for breaks, there is not strict implementation of break times to ensure that workers are given full breaks in compliance local law. In addition to failing to meet legal requirements, not ensuring breaks may pose a risk to workers' well-being.
Recommendation for Immediate Action	Ensure that workers are provided with full breaks as legally required.
Compliance Classifications	Immediate Action Required
Local Law	Bangladesh Labour Act 2015 - CHAPTER IX - WORKING HOUR AND LEAVE - Section 101. Interval for rest or meal. In an establishment no worker shall be liable to (a) work for more than 6 (six) hours in a day, unless he is given an interval of 1 (one) hour for rest or meal during that day; (b) work for more than 5 (five) hours in a day, unless he is given an interval of half an hour for the said purpose during that day
Benchmark ID	HOW.11.1
Benchmark Details	Employers shall provide workers with paid annual leave as required under national laws, regulations and procedures.
Finding Details	Workers at the factory do not utilize their accrued leave days at all. Local law allows workers to be paid full wages for up to 50% of their unused leave days each year. The factory, however, pays wages for 100% of unused earned leave.
Recommendation for Immediate Action	Workers should be encouraged to use their leave days. Wages for unused leave days must be paid out within legal limits.
Compliance Classifications	Immediate Action Required

Local Law	Bangladesh Labor Rules 2015- Rule 107 (2): Any worker can have cash money against the unspent Earned leave. However, more than the half of the Earned leave cannot be cashed out at the end of the year. This type of cashing can be done only once in a year.
Benchmark ID	HOW.9.2
Benchmark Details	Employers shall take reasonable steps to inform workers about the nature and expected duration of the circumstances sufficiently in advance to allow workers to make alternative plans.
Finding Details	The factory informs workers of overtime during the lunch break, rather than at the beginning of the shift.
Recommendation for Immediate Action	
Compliance Classifications	Sustainable Improvement Required
Local Law	
Benchmark ID	HOW.21
Benchmark Details	Other than in exceptional circumstances, the total weekly work hours (regular work hours plus overtime including any alternative shifts such as 4x4 or 3x3) shall not exceed 60 hours per week.
Finding Details	Accurate working hours could not be established, as the time cards provided for review did not align with information gathered from worker interviews and other sources. The time cards provided for review indicate that workers do not work beyond 60 hours a week. However, 100% of workers interviewed revealed that workers perform more than 2 overtime hours per day. There is adequate evidence to confirm that workers regularly work these unrecorded overtime hours; that in practice these hours are labeled as "Additional Extra Overtime" or AEOT; and that workers are paid for AEOT every month. Workers shared evidence of receiving payment for AEOT. Therefore, it can be confirmed that the time cards provided for review were incomplete. See findings C.7; HOW.22.2; and HOW 22.5 for additional details.

Recommendation for Immediate Action	Ensure that workers do not work beyond 60 total hours (regular plus overtime) per week.
Compliance Classifications	Immediate Action Required
Local Law	
Benchmark ID	HOW.22.5
Benchmark Details	Time records maintained shall be authentic and accurate.
Finding Details	The time records provided for review indicate that workers perform 2 hours of overtime per day. In interviews, management affirmed that workers do not work beyond 2 hours of overtime on any day. However, worker interviews consistently indicated that from 5 to 10 days each month, workers perform more than 2 hours of overtime. Workers may perform up to 5 hours overtime or even an additional shift of 8 hours. The factory pays the workers' wages for these hours every 15 days in cash. This practice is known as "Additional Extra Overtime (AEOT) across the factory. Workers shared with the assessor mobile notifications showing that they had deposited the cash payments into their bank accounts in May 2022 and June 2022. Management denied any knowledge of this practice and denied making any such payments. See findings C.7; HOW.21; and HOW.22.2 for additional details.
Recommendation for Immediate Action	Truthfully and accurately record all working hours, both regular and overtime, and maintain these records for review when needed.
Compliance Classifications	Immediate Action Required
Local Law	

