

# Fair Labor Association: Independent External Factory Assessment

Assessment Date :

**03 Sep 2022**



## Factory Information

FLA Affiliates	New Era Cap, LLC
Country	Bangladesh
Number of Workers	6800

## 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

Compensation (C)	4
Employment Relationship (ER)	14
Health, Safety And Environment (HSE)	25
Hours Of Work (HOW)	5
Nondiscrimination (ND)	1

## Assessment Information

Assessor	Insync
Assessment Date	03 Sep 2022

Assessment Purpose	Factory Assessment (In-Person)
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## ASSESSMENT RESULTS

### Compensation (C)

Benchmark ID	C.16.1
Benchmark Details	All compensation records, including wages and benefits whether in cash or in-kind, must be properly documented and their receipt and accuracy must be confirmed by the relevant worker in writing (e.g. signature, thumbprint).
Finding Details	1. Date of payment of maternity benefits (pre and post delivery) is not recorded on pay records . Hence, assessors could not verify if payments are made within legally defined timelines. 2. Form 18 A (notification of pregnancy) was not seen in 50 % of files for sampled workers that were reviewed. 3. Unpaid maternity leave of workers after second child was not adjusted against unused leave until August 2022.
Recommendation for Immediate Action	1. Include date of payment of maternity benefits in payment records for clarity of the calculation. 2. Ensure that all female workers aware of notification process of their pregnancy and Form 18 A is used as per factory implementation. 3. Ensure unpaid maternity leave after second child is adjusted against unused leave to workers.
Compliance Classifications	Immediate Action Required

Local Law	1.Bangladesh Labour Rules 2015 - Form-18(a) [Section 47(2)(4) & 47(1) and Rule 39(1)] Notice for informing about pregnancy. 2. Bangladesh Labour Act 2006 (amended in 2015) CHAPTER IV - MATERNITY BENEFIT - Section 46(2) No such benefit shall be payable to a woman if at the time of her delivery she has 2 (two) or more surviving children, but in that case, she may enjoy any leave which is due to her. 3. Bangladesh Labour Act 2006 (amended in 2015) CHAPTER IV -MATERNITY BENEFIT - Section 46((2) No such benefit shall be payable to a woman if at the time of her delivery she has 2 (two) or more surviving children, but in that case she may enjoy any leave which is due to her
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	Overtime hours is calculated and compensated in multiple of full hour and fractions of hour are not considered. If a worker works overtime for 30 minutes, the OT work is not considered and paid. However if the worker works overtime for at least 31 minutes, he is compensated for 1 full hour of overtime work. For example; W # 1-shift timing - 7.00 am to 3.30 pm. Worker exits at 8.30 pm on day 1 and at 9.02 pm on day 2. On both days, 5 hours of OT is calculated and compensated though he worked additional 30 minutes on second day. Workers tend to lose out on 30 minutes of overtime hours worked if they swipe their cards 1 minute early than 30 minutes.
Recommendation for Immediate Action	Factory needs to ensure that all overtime hours are accurately calculated and compensated.
Compliance Classifications	Immediate Action Required
Local Law	Bangladesh Labour Act 2006 (amended in 2015) CHAPTER IX WORKING HOUR AND LEAVE - section 108. Extra-allowance for overtime.□(1) Where a worker works for more hours than the hours fixed under this Act in an establishment on any day or in a week he shall, for overtime work, be entitled to allowance at the rate of twice his ordinary rate of basic wage and dearness allowance and ad-hoc or interim wage, if any.

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. Time / attendance cards are not maintained with calculation sheets for terminal dues. Based on date of resignation seen on individual file of sampled workers, payments were verified and found to be correct. 2.Meals (free of cost) is not provided to workers working in shifts in Dyeing and Knitting sections while the facility is provided to all other employees. Factory does not compensate these workers separately for non-provision of free meal facility.
Recommendation for Immediate Action	
Compliance Classifications	Sustainable Improvement Required
Local Law	
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	Date of payment of terminal dues is not recorded on pay sheet hence it cannot be verified if the dues are paid within legally defined timelines. Management shared that as a systematic practice, for workers resigning prior to end of pay period, payments were made 10 to 30 days post date of resignation while for workers who resigned at end of pay period , terminal dues were paid within 7 days post date of resignation from employment. Management stated that dues are paid on date of preparation of calculation sheet. Based on management statement, review of calculation sheet for 6 sampled workers revealed that dues were paid between 40 to 80 days post date of resignation from employment.
Recommendation for Immediate Action	Terminal dues should be within legally defined timelines.

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.
<b>Employment Relationship (ER)</b>	
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	Procedures do not define timelines for addressing grievances reported using multiple channels that are provided. Log for grievances reported using the grievance box is not maintained. Management stated that grievances are reported verbally and addressed. In absence of information on grievances and action taken, it cannot be verified if action taken is appropriate. Factory maintains a log of grievances reported to the 6 Welfare officers however a log does not identify name of the welfare officer who received the complaint and name of worker. Action taken is recorded however information on time taken to address grievance, analysis of root cause of grievance reported, and related action taken according to root cause identified is not documented and not communicated back to workers. Grievances reported verbally are not documented at all. Management stated that as the grievances are addressed immediately and they are not recorded. Log of grievances reported using other channels (Production manager, HR Manager or Supervisors) is not documented as well
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. In past 12 months, training on company Code of Conduct was provided to 900 out of 11913 workers. 2. Workers working in dormitory do not receive specific health and safety/hygiene training.
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	The factory provides training on disciplinary system to managers and supervisors, however they are not fully familiar with workplace disciplinary system. Factory needs to measure efficiency of the trainings.
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	In past 12 months, training on Brand Code of Conduct was provided to 240 out of 1518 Supervisors and Managers and trainings are planned for the rest of the employees.
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	Grievance boxes are opened on 2nd and 4th week of every month. The timelines for opening of box may discourage workers from using the channel.
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. Written procedures on recruitment does not include information on use of external service providers, assigning responsibility for implementation of policy, training for responsible recruitment staff and need for period review of employment documentation. 2. Factory does not have written procedures on non- discrimination. 3. Written procedures on forced labour does include information on requirement of training for responsible persons and for awareness for employees. 4. Factory does not have written procedures on Child Labour and measures for remediation if child labour is found. 5. Factory does not have written procedures on Termination, and policy and procedures on Retrenchment. 7. Written procedures on compensation do not have information on responsible person for implementation of policy.
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	Verbal warnings are not documented for the purpose of keeping track of disciplinary actions.

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	Factory does not have written procedures on personnel development.
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	1. Written procedures on performance reviews does not include information on steps for grading, written feedback and nondiscrimination. 2. Evaluation results are not shared or signed by workers. Hence workers are not aware of the results and do not have the opportunity to provide their feedback.

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	1. Factory does not have written procedures for demotion and job reassignment. 2. Workers are shortlisted for promotion to supervisors, based on observations of performance on daily basis by supervisors, floor managers, industrial engineering department and HR department. No documentation is maintained with information on criteria for shortlisting workers. Performance of shortlisted workers is evaluated for which documentation is maintained and based on satisfactory results; workers are promoted. 3- Factory does not provide a letter to workers to communicate promotions with increase in wages and change of designation. Changes post the promotions, are updated in wage slips in the pay period of the month following the month of promotion and workers get information on amount of increase in wage and designation from their wage slips.
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. Please see finding in ER.17.5 2. Following practices are implemented by the factory during hiring process: a)Age estimation form used by the factory has 2 questions pertaining to privacy of workers which may not necessarily impact employment decision. E.g - (1) Development of Breast and (2) Status of Puberty. These are rated and signed by medical officer. Medical team interviewed confirmed that physical examination of these parameters is conducted in a closed room for young looking workers. Instead of obtaining written consent from workers prior to physical examination, consent is obtained post physical examination and completing all information in the document. The content in the document as well as the statement of consent is in English which is neither read nor understood by workers. The consent was not signed by 5 % workers of sampled workers. Workers interviewed confirmed the practice however had no complaints because per their understanding, the process is a part of hiring practices. b) Age estimation form for sampled male and female workers hired in August 2022 had inappropriate information on some. E.g. For Male workers, it states breast as "well developed" and under Puberty - remarks are "Fully grown". For female workers "muscularity " is selected "yes" and development of breast is crossed. The "Puberty" and hair on chin and upper lips states "Fully Grown". Though workers have signed giving consent for such examinations, workers may not be comfortable with such examination which may not be relevant to employment decisions. Further this information is filed in individual file of workers which is accessible to all In HR team.</p>
Recommendation for Immediate Action	Questions that do not impact employment decisions should not be included for examination to estimate age of worker by the medical team.
Compliance Classifications	Immediate Action 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	1. Though written policies and procedures reflect that they are reviewed however review period is not defined. The procedures have never been revised before. 2. Workers are not consulted or integrated in the decision-making process of aspects concerning workplace and working conditions (e.g., creation or revision of policies and procedures, changes on production processes, hours of work, etc)
Recommendation for Immediate Action	
Compliance Classifications	Sustainable Improvement Required
Local Law	
Benchmark ID	ER.18.3.4
Benchmark Details	Records of disciplinary action must be maintained in the worker's personnel file.
Finding Details	The factory does not keep written records of disciplinary actions taken against workers, therefore no records kept in personnel files.
Recommendation for Immediate Action	
Compliance Classifications	Sustainable Improvement Required
Local Law	
Benchmark ID	ER.3.3
Benchmark Details	Workers should be provided with written documentation that substantiates all the issues covered in orientation briefings.

Finding Details	Workers do not receive written document that substantiates all issues covered in orientation training program.
Recommendation for Immediate Action	
Compliance Classifications	Sustainable Improvement Required
Local Law	

### Health, Safety And Environment (HSE)

Benchmark ID	HSE.5.3
Benchmark Details	Alarm systems shall be regularly tested and evacuation drills shall be undertaken at least annually.
Finding Details	1. Evacuation drills are not conducted during night shift (10 pm to 6 am) for workers from Dyeing section in Building # 1 and Shed # 1 and for kitchen workers. 2. Some pictures are maintained with logs which do not identify the building evacuated, assembly areas in front of buildings, work stations on each floor and evacuation procedures are not maintained.
Recommendation for Immediate Action	1. Evacuation drills should be conducted during night shift (10 pm to 6 am) for workers from Dyeing section in Building # 1 and shed # 1 and for kitchen workers. 2. Adequate and complete pictures of drill conducted should be maintained with logs.
Compliance Classifications	Immediate Action Required
Local Law	Bangladesh Labour Act 2006 (amended in 2015) - CHAPTER VI SAFETY -62. Precaution as to fire - (7) In every establishment where 10 (ten) or more workers are ordinarily employed in any place above the ground floor, or explosive or highly inflammable materials are used, or stored, effective measures shall be taken to ensure that all workers may be familiar with the means of escape in case of fire and are adequately trained in the routine work to be followed in such cases

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. Designated emergency assembly areas are located adjacent to driveways inside the factory. Assembly of persons on driveways will restrict free movement of emergency vehicles during an emergency. Responsibility is not assigned for managing traffic during the evacuation process. 2. Direction markings for exits are faded in some areas in washing, dyeing and kitchen. 3. One of two emergency lights installed in kitchen and few in printing section were not functional when tested. Emergency light is missing above exit from 4th floor of building # 14.
Recommendation for Immediate Action	1. Designated emergency assembly areas should be maintained clear and should have adequate space to accommodate all workers. 2. Direction markings for exits should be remarked in washing, dyeing and kitchen. 3. Ensure all emergency lights are functional at all times and install emergency light above exit from 4th floor of building # 14.
Compliance Classifications	Immediate Action Required
Local Law	1. Bangladesh Labour Act 2006 (amended in 2015) - CHAPTER VI - SAFETY -62. Precaution as to fire -(6) A free passageway 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. 2. Bangladesh Labour Act 2006 (amended in 2015) - CHAPTER VI SAFETY -62. Precaution as to fire -(6) A free passageway 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. 3. Bangladesh Labour Act 2006 (amended in 2015) CHAPTER VI SAFETY - Section 62 - Precautions in case of fire (6) A free passageway 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	Factory does not conduct an assessment after the drill to learn how to improve the evacuation process
Recommendation for Immediate Action	
Compliance Classifications	Sustainable Improvement Required
Local Law	
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	1. Evacuation passages near cutting sections are partially restricted with bags containing fabric restricting quick and easy movement of workers. 2. Storing bins on kept on either sides of sewing machine operators restricting quick and easy access to passages behind them. 3. Evacuation routes in packing section are partially blocked with packing boxes and tables. 4. A room used to remove threads from collars in Building # 15 is overcrowded with 16 to 20 workers restricting free movement and access to only exit from the room.
Recommendation for Immediate Action	Access to passages for quick and easy evacuation should be maintained clear at all times.
Compliance Classifications	Immediate Action Required

Local Law	Bangladesh Labour Act 2006 (amended in 2015) - CHAPTER VI SAFETY -62. Precaution as to fire -(6) A free passageway 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. Spill response kit is not provided in chemical storage areas. 2. Secondary containment provided for primary chemical containers is inadequate. The material of secondary containers (metal) is not similar to material of primary containers which is plastic. 3.Barrels containing machine oil is stored in the open near power generator room.
Recommendation for Immediate Action	1. Provide spill response kit in chemical storage areas. 2. Provide secondary containment with adequate capacity for primary chemical containers. The material of secondary containers (metal) should be similar to material of primary containers which is plastic. 3.Barrels containing machine oil should be stored in a covered area.
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.2
Benchmark Details	All documents required to be available to workers and management by applicable laws (e.g. health and safety policies, MSDS, environmental emergency plans) shall be made available in the prescribed manner and in the local language or language spoken by the workers, if different from the local language.

Finding Details	Competency certificate of external inspectors of lifts, compressors and boilers was not available for review. Hence it cannot be verified if the lifts, compressors and boilers are inspected by competent persons which is a risk for accidents.
Recommendation for Immediate Action	Lifts, boilers and compressors should be inspected by competent persons.
Compliance Classifications	Immediate Action Required
Local Law	Bangladesh Labour Act 2006 (amended in 2015) 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. CHAPTER XVIII - 275. Special definitions - In this Chapter, unless there is anything repugnant in the subject or context, 2[(a) "competent authority" means the Chief Inspector or an officer authorized by him. Bangladesh Labour Act 2006 (amended in 2015) - 71. Pressure plant.-Where in any establishment any part of the plant or machinery used in manufacturing process is operated at a pressure above the atmospheric pressure, effective measures shall be taken to ensure that the safe working pressure of such part is not exceeded.
Benchmark ID	HSE.26
Benchmark Details	All dormitory facilities must be structurally sound, in good repair, and located separately from production, warehouse and hazardous chemical storage areas.
Finding Details	Seepage was observed on the room walls in all dormitories.
Recommendation for Immediate Action	Ensure walls of rooms are maintained clean at all times.
Compliance Classifications	Immediate Action Required
Local Law	No legal reference

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	1. Food preparation area is not maintained clean. Floors were wet. Access is allowed to all persons with no restrictions to prevent risk of contamination of food. 2. Factory does not keep food samples for the necessary length of time to prevent food born illness. It is recommended to keep food 72 hours according to international laws.
Recommendation for Immediate Action	1-Food preparation areas should be maintained clean at all times. 2- Ensure that food is kept for 72 hours to prevent food born illness.
Compliance Classifications	Immediate Action Required
Local Law	Factories Rules 1979- Rule 57 (9): The canteen building shall be maintained in a clean and hygienic conditions and its precincts shall be maintained in a clean and sanitary condition. Wastewater shall be carried away in suitable covered drains and shall not be allowed to accumulate so as to cause a nuisance. Suitable arrangement shall be made for the collection and disposal of garbage.
Benchmark ID	HSE.22.1
Benchmark Details	All food made available to workers shall be prepared, stored, and served in a safe and sanitary manner in accordance with all applicable laws and international standards.
Finding Details	1-Kitchen workers were not using nose masks, aprons and hand gloves. Additionally, as high heat from gas burners affects thermal comfort of kitchen staff, as a result hygiene conditions are also affected. (The clothes of the workers were all in sweat) 2. Canteen workers do not use aprons, hand gloves and closed shoes. Not using PPE carries a risk for burn injuries from accidental spill of hot water / hot oil.

Recommendation for Immediate Action	1. Provide proper clean clothes and equipment (hand gloves, aprons and masks) and ensure that ventilation is more adequate. 2.Ensure all canteen workers use aprons, hand gloves and closed shoes to prevent injuries.
Compliance Classifications	Immediate Action Required
Local Law	1.Bangladesh Labour Rules 2015 - Chapter Eight Welfare Arrangements. Rile (88) Instruments of canteen: (2) Special clothes have to be arranged for the caterers and workers of the canteen and the clothes have to kept neat and clean. 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.
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	Excessive lint was noted on electrical installations like fans and lights and inside glass cover of visual alarms in embroidery section.
Recommendation for Immediate Action	Electrical installations should be maintained clean at all times.
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
Benchmark Details	All production machinery, equipment and tools shall be properly guarded and regularly maintained.

Finding Details	<p>1. Traffic lanes are marked however walk paths are not marked inside the factory. Speed breakers are not installed on driveways and convex mirrors are installed on few blind turns, not in all blind turns to reduce risk of accidents. 2. There are no protective covers for laser used for measurement area on pocket setter machines. 3. Safety stoppers and locking arrangement is missing on most ladders used in the factory. 4. Elevators are inspected regularly by internal maintenance team and not by competent persons. Vehicle horn, door locking arrangement, wind shield wipers and turn indicators of passenger and cargo vehicles are not inspected regularly. Tyre condition of the 2 forklift vehicles is not inspected. 5. Factory has LOTO (lock out- tag out) arrangement however does not use it for electrical maintenance work as was noted during factory tour. 6. Forklift vehicles do not have audio alarms installed for warning workers when in use. 7. Auto stop arrangement on 12 of 12 table dryer machines is not provided to prevent injury to workers. 8. Door locking arrangement is not installed on dryers in washing section. Doors can be opened while drums are in rotation which could be a risk for injury to workers.</p>
Recommendation for Immediate Action	<p>1. Walk paths for employees should be marked inside the factory. Speed breakers should be installed on driveways and convex mirrors should be installed on all blind turns to reduce risk of accidents. 2. Protective covers should be provided for laser used for measurement area on pocket setter machines. 3. Safety stoppers and locking arrangement should be provided on all ladders used in the factory. 4. Elevators should be inspected by competent persons. Vehicle horn, door locking arrangement, wind shield wipers and turn indicators of passenger and cargo vehicles should be inspected periodically. Tyre condition of the 2 forklift vehicles should be inspected. 5. Factory should ensure use of LOTO arrangement for electrical maintenance work. 6. Ensure Forklift vehicles have audio alarms installed for warning workers when in use. 7. Ensure auto stop arrangement on 12 of 12 table dryer machines is provided to prevent injury to workers. 8. Ensure door locking arrangement is installed on dryers in washing section to prevent opening of doors while dryers are in operation.</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. 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. 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. 4. Bangladesh Labour Act 2006 (amended in 2015) CHAPTER VI SAFETY - 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 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. 6. 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. 7. 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. 8. 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>
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	350 helmets, 300 gas masks, 200 full masks are provided for use by 825 persons from fire fighting and rescue team. Fire shoes, hand gloves, safety shoes are not provided at all.
Recommendation for Immediate Action	Factory should provide adequate firefighting equipment to fire fighters.

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.25.1
Benchmark Details	Dormitory facilities, including those provided by employment agencies or intermediaries associated with the employer, shall meet all applicable laws and regulations related to health, safety, and environment, including fire safety, sanitation, risk protection and electrical, mechanical, and structural safety.
Finding Details	1-Living rooms in building # 13 (ground floor) for kitchen workers are not maintained clean. 2-Lockers are not provided at all for workers. 3-Beds are not provided for temporary accommodated for workers on Ground floor of Dormitory # 1. 4. Excessive quantity of left-over garments was seen stored and sorted on ground floor of one of the male workers dormitories. This could be a fire hazard.
Recommendation for Immediate Action	1. Ensure living rooms in building # 13 (ground floor) for kitchen workers is maintained clean. 2. Provide lockers for workers to store their belongings. 3- Provide beds for temporary accommodation for workers on Ground floor of Dormitory # 1. 4. Ensure dormitories are maintained free of any storage to reduce risk from fires.
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.1
Benchmark Details	Employers shall comply with all national laws, regulations and procedures concerning health, safety, and the environment.



Finding Details	<p>1(a).A company collects waste oil however the firm does not have a license to collect waste oils and also factory does not have written agreement with the firm to collect waste oil from factory. 1(b). Medical waste is sent to a hospital (owned by the group) for disposal through an external firm. Factory does not maintain records of medical waste material sent to the hospital. 2. Childcare facility does not have open play area for slightly older children and adequate furniture like cot / bed, as required by law are not provided. 3. Childcare employees are not provided with neat and clean clothes. 4. Childcare employees (3 of 3 workers) are not trained and do not have past experience with handling children. 5. Gas and smoke detectors are not installed in kitchen. 6. Floors of kitchen are wet and can cause injury from accidental fall. 7. Workers were seen climbing and sitting on knitting machines while threading the spools. This practice could cause injury from accidental fall. 8. Water was seen stagnant on floors of dyeing and washing sections. This could be a risk for fall injuries on wet floors.</p>
Recommendation for Immediate Action	<p>1(a). Ensure factory has agreement with licensed waste collectors. 1(b). Ensure factory maintains records of medical waste material sent for disposal. 2. Provide open play area for slightly older children and adequate furniture like cot / bed in childcare facility. 3. Ensure childcare employees are provided with neat and clean clothes. 4. Ensure childcare employees are experienced and trained in handling children. 5. Install Gas and smoke detectors in kitchen. 6. Ensure floors of kitchen are maintained dry to prevent injury from accidental fall. 7. Ensure safe arrangements are made for workers while threading the spools. 8. Ensure water is not stagnant on floors of Dyeing and Washing sections to prevent injuries from accident slip falls on wet floors.</p>
Compliance Classifications	Immediate Action Required

Local Law	<p>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 64 (5): The creche shall be adequately furnished and equipped and in particular there shall be one suitable cot or cradle with necessary bedding for each child, at least one chair or equivalent seating accommodation for the use of each mother while she is feeding or attending to her child and a sufficient supply of suitable toys for the older children. Factories Rules 1979- Rule 64 (6): A suitable fenced and shady open-air playground shall be provided for the older children. 3. Bangladesh Labour Rule s2015 - Chapter Eight Welfare Arrangements- Rule (94) Children's Room: (5) Neat and clean clothes must be provided for the employees working in Children's Room. 4. Bangladesh labour Act 2006 (amended in 2015)94. CHAPTER VIII -WELFARE MEASURES - 92 - Rooms for children -(2) The said room shall be provided with adequate accommodation, light and ventilation and shall be maintained in clean and sanitary condition and shall be under the charge of an experienced or trained woman for the care of children. 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. 6. Factories Rules 1979- Rule 57 (9): The canteen building shall be maintained in a clean and hygienic conditions and its precincts shall be maintained in a clean and sanitary condition. Wastewater shall be carried away in suitable covered drains and shall not be allowed to accumulate so as to cause a nuisance. Suitable arrangement shall be made for the collection and disposal of garbage. 7 -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. 8. 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>
Benchmark ID	HSE.28
Benchmark Details	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.
Finding Details	Factory does not provide safety information to contractors.

Recommendation for Immediate Action	Provide safety information to contractors engaged in the factory.
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.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. Sign on laser is not posted near the machines where laser is used. 2. Safety instructions are not posted near machinery.
Recommendation for Immediate Action	1. Post signs near the machines where laser is used. 2. Ensure that safety instructions are posted near machinery.
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. Entry point to confined spaces is covered however there is no warning sign and safety fence to warn workers. 2. Factory does not have written procedures for working in confined spaces. 3. Maintenance workers were not using fall protection when working at heights.

Recommendation for Immediate Action	1. Provide safety fence and warning sign to warn workers to the confined spaces. 2. Factory should have written procedures for working in confined spaces. 3. Provide training to maintenance workers to use fall protection when working at heights and ensure that it is regularly checked.
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.17.2
Benchmark Details	Employers shall train workers in proper lifting techniques, and items such as lifting belts shall be provided.
Finding Details	1-In past 12 months, training on PPE (Personal Protective Equipment) was only provided to 900 out 11913 workers. 2-Specific training on lifting techniques is not provided. Workers were seen transporting material carrying them on their shoulders and also moving heavy material down slopes in a manner that could cause bodily injury.
Recommendation for Immediate Action	1-Ensure that all workers receive regular trainings (at least annually) on PPEs. 2-Provide lifting technique trainings to for transport and warehouse workers.
Compliance Classifications	Immediate Action Required
Local Law	
Benchmark ID	HSE.18.2
Benchmark Details	Medical staff shall be fully licensed and recognized under applicable national rules and regulations.

Finding Details	The factory has 10 medical staff ( 1 Nurse+ 9 medical assistants). The nurse does not hold valid nursing certificate and holds a 6 months training certificate from LMF ( Local Medical Assistant and Family planning Association) of Bangladesh. Additionally, only 2 out of 9 medical assistants have a paramedic training certificate.
Recommendation for Immediate Action	Ensure that all medical staff are trained and has certificates as per local law requirements.
Compliance Classifications	Immediate Action Required
Local Law	Factories Rules 1979- Rule 56 (1): The ambulance room or dispensary shall be in charge of a qualified medical practitioner assisted by at least one qualified compounder and nurse and such subordinate staff as the Chief Inspector may direct. The medical practitioner shall always be available on call during working hours.
Benchmark ID	HSE.5.4
Benchmark Details	The emergency evacuation plan (EEP) includes procedures for notifying local community authorities in case of accidental discharge or release of chemical/waste products or any other environmental emergency.
Finding Details	Factory does not have an appropriate system to respond to any unexpected environmental emergency such as chemical spills or gas leak.
Recommendation for Immediate Action	Develop an appropriate system to respond to any unexpected environmental emergency such as chemical spills or gas leak.
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.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	Factory has conducted an assessment which provides information on possible injuries in work areas, impacts, corrective action plan and responsible person. The assessment does not include information on possibly, frequency, severity of accidents and injuries, assessment of risks, impacted persons and controls measures.
Recommendation for Immediate Action	
Compliance Classifications	Sustainable Improvement Required
Local Law	
Benchmark ID	HSE.7
Benchmark Details	Workers shall be provided at no cost with all the appropriate and necessary personal protective equipment (e.g. gloves, eye protection, hearing protection, respiratory protection) to effectively prevent unsafe exposure (e.g. inhalation or contact with solvent vapors, noise, dust) to health and safety hazards, including medical waste.
Finding Details	Management shared that maintenance work at heights is outsourced who carry their fall protection equipment. Factory management does not monitor condition of the equipment.
Recommendation for Immediate Action	Factory should monitor safety parameters when external contractors are engaged. This includes checking of fall protection equipment prior to use.
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.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. Workers in the dyeing and washing section started wearing hand gloves upon noticing visitors in work areas. (Some were seen pulling them out from their long ankle shoes and some were seen hiding behind washing machines and wearing hand gloves). Some workers in washing and dyeing section were not using aprons at all. One worker in dyeing section was wearing hand gloves inside out.</p> <p>2-Workers in Dye finishing section were not using hand gloves at all when handling wet fabric. 3-Housekeeping workers in dyeing and washing sections are not provided with and do not use any PPE (hand gloves, shoes and masks ) at all. 4-Workers from Engineering section were not using safety shoes. 5-Maintenance engineer working on electric panel on cutting machine was not using safety hand gloves. 6-Forklift vehicle operator was not using helmet and safety shoes while driving the vehicle. 7-A worker using high pressure gun to remove stains was not using hand gloves to prevent injury to skin of hand. 8-Most workers manually applying color on fabric panels in screen print section were not using hand gloves. 9-A worker removing fused fabric from fusing machines was wearing hand gloves incorrectly. He wasn't aware on how to wear a hand glove. Other workers were not using hand gloves at all when removing fabric from fusing machine. 10-Eye shield is not provided to workers using rivet attaching machines in cap/ headgear section. Few rivets were seen lying on the floor., 11- In past 12 months, training on PPE was provided to 900 out 11913 workers.</p>
Recommendation for Immediate Action	<p>1- Ensure PPEs are provided and used by the workers properly. Factory should educate workers and monitor use of PPE for all sections. 2-Eye shield should be provided to workers using rivet attaching machines in cap/ headgear section.</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. Verbal instructions are provided to workers operating machinery. Training is not documented. 2. Factory does not provide safety training to designated workers with special/high-risk responsibilities (working with laser, radiation or electrical issues, confined space, lock out/ tag out, work at heights). Some awareness is provided verbally.
Recommendation for Immediate Action	1. Provide machine safety training to the workers and document the trainings. 2. Ensure that safety training to designated workers with special/high-risk responsibilities (working with laser, radiation or electrical issues, confined space, lock out/ tag out, work at heights) are provided and documented.
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. Anti-fatigue mats are not provided for all workers with standing jobs. These are provided to a few workers in checking stations. 2. Work stations are not adjustable to suit height of workers
Recommendation for Immediate Action	1. Anti-fatigue mats should be provided for all workers with standing jobs. 2. Provide adjustable work stations (i.e. adjustable chairs and/or tables)



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.
<b>Hours Of Work (HOW)</b>	
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. Few workers in sewing and cutting sections were seen working during lunch break. Factory does not ensure that workers do not work during breaks. 2. Workers work overtime on most days in the month as a systematic practice. 3. Review of timecards for sampled workers from maintenance, administration, environment section worked on total of 13 national and festival holidays between December 2021 and August 2022. While 3 days of festival leave was provided to workers from dyeing and knitting section, 7 days of festival leave was provided to workers from other production and support staff. 4. Break timings for some workers as per shift approval obtained on May 9, 2022, does not match with breaks provided.
Recommendation for Immediate Action	1. Ensure that workers do not work during breaks. 2. Workers should not be required to work overtime as a systematic practice. 3. Factory should ensure that equal number of holidays are allowed to all workers. 4. Break timings for all workers should comply with shift approval obtained on May 9, 2022.
Compliance Classifications	Immediate Action 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.20
Benchmark Details	Employers shall have in place practices that conduct regular analysis of hours of work in their workplaces and procedures that demonstrate a commitment to progressively reducing excessive hours of work.
Finding Details	Production planning for second shift workers from cutting, embroidery and printing section includes 2 hours of overtime every day.
Recommendation for Immediate Action	Ensure that factory's production planning is based on regular working hours only and not include overtime working. Second shift workers from cutting, embroidery and printing section should not work overtime everyday.
Compliance Classifications	Immediate Action Required
Local Law	Bangladesh Labour Act 2006 (amended in 2015) - CHAPTER IX WORKING HOUR AND LEAVE-100. Daily working hour. -No adult worker shall ordinarily work or be required to work in an establishment for more than 8 (eight) hours in a day.
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	1. Lunch break for 1052 (9%) workers starts at 1.30 pm which is 6.5 hours from start of shift at 7.00am. 2. When workers work overtime beyond 6.00 pm, they are provided a break at 6.00 pm for 30 minutes post end of their lunch break at 12.30 pm ( 5.5 hours of continuous work). These breaks do not comply with legal requirements on breaks. 3. Workers from dyeing and knitting section on night shift are not provided any break. Management stated that break is provided however not monitored. Workers confirmed that they are allowed to take a break for 10 minutes if they want to.
Recommendation for Immediate Action	Provide breaks to all workers as legally required and closely monitor the implementation of the breaks.
Compliance Classifications	Immediate Action Required
Local Law	Bangladesh Labour Act 2006 (amended in 2015) -CHAPTER IX WORKING HOUR AND LEAVE - 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.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	Workers are informed of overtime work post the lunch break and not at 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	Review of timecards for 65 sampled workers revealed that workers work beyond 60 hours in most weeks except workers from dyeing and knitting departments who work in 3 shifts: -In August 2022, 15 sampled workers from Cutting and Embroidery departments worked more than 60 hours with maximum 72 hours. (Sampled workers from other production processes worked within 60 hours a week) - All sampled workers worked more than 60 hours in February 2022 (up to 82 hours) and in October 2021 (up to 75 hours a week)
Recommendation for Immediate Action	Ensure workers do not work beyond 60 hours a week.
Compliance Classifications	Immediate Action Required
Local Law	Bangladesh Labour Act 2006 (amended in 2015) - CHAPTER IX WORKING HOUR AND LEAVE - 102. Weekly working hours.(1) No adult worker shall ordinarily work or be required to work in an establishment for more than 48 (forty-eight) hours in a week. (2) Subject to the provisions of section 108, an adult worker may work for more than 48 (forty-eight) hours also in a week: Provided that the total working hours of such worker shall not exceed 60 (sixty) hours in a week, and on the average 56 (fifty-six) hours per week in a year

## Nondiscrimination (ND)

Benchmark ID	ND.11
Benchmark Details	Employers shall respect the confidentiality of workers' health status and not undertake any action that could lead to a breach of said confidentiality, including screening, whether by direct or indirect testing (for instance, by making an assessment of risk behavior), or asking questions about previously taken tests or medications.

Finding Details	Age estimation form for sampled male and female workers hired in August 2022 had inappropriate information on some. E.g. For Male workers, it states breast as "well developed" and under Puberty - remarks are "Fully grown". For female workers "muscularity " is selected "yes" and development of breast is crossed. The "Puberty" and hair on chin and upper lips states "Fully Grown". Though workers have signed giving consent for such examinations, workers may not be comfortable with such examination which may not be relevant to employment decisions. Further this information is filed in individual file of workers which is accessible to all in HR team.
Recommendation for Immediate Action	Factory needs to ensure questions pertaining to privacy of workers is avoided
Compliance Classifications	Immediate Action Required
Local Law	

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