

# Fair Labor Association: Independent External Factory Assessment

Assessment Date :

**11 Oct 2022**



## Factory Information

FLA Affiliates	Fast Retailing Co., Ltd.
Country	Bangladesh
Number of Workers	1711

## 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)	2
Employment Relationship (ER)	10
Freedom Of Association And Collective Bargaining (FOA)	1
Harassment Or Abuse (H/A)	1
Health, Safety And Environment (HSE)	19
Hours Of Work (HOW)	6

## Assessment Information

Assessor	Insync
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Assessment Date	11 Oct 2022
Assessment Purpose	Factory Assessment (In-Person)

## ASSESSMENT RESULTS

### Compensation (C)

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 law on the calculation of earned leave was revised in 2019 from 1 day earned for every 22 days worked, to 1 day earned for every 18 days worked. As part of terminal dues for workers who left employment in 2021 and 2022, the number of days of earned leave for workers hired prior to 2019 was calculated at 1 day for 22 days, and post-2019, it was calculated at 1 day for 18 days worked. As the law was revised in 2019, all calculations should be considered 1 day for every 18 days worked. 2. It was noted that the payment of 2nd installment of maternity benefit (post-delivery of the child) to 2 out of 10 sampled workers was delayed by 5 to 6 days.
Recommendation for Immediate Action	1. For calculation on Earned Leave, the applicable law should be followed, and leave should be calculated at 1 day earned for every 18 days worked. 2. Maternity benefits should be paid within 3 days post notice of child delivery.
Compliance Classifications	Immediate Action Required

Local Law	<p>1. Bangladesh EPZ Labour Law 2019- chapter 3rd and 5th. As per circular reference no. 7: Earn Leave encashment procedure. 2. Any worker can enjoy their Earn Leave or take the cash money against the Earned Leave by preserving the last year earned leave and take the cash against the rest of unused leave and owners should preserve last year earned leave and pay an extra unused leave amount except last year. 2. Bangladesh Labour Act 2009 (amended in 2015) CHAPTER IV MATERNITY BENEFIT - Section 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.</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	<p>1. As a practice, the factory pays terminal dues in 3 timelines every month: (1st to 10th day, 11th to 20th day, and 21st to 30th day of the month). This practice does not ensure that wages for days worked prior to leaving employment are paid within the 7-day timeline defined by law. For workers resigning up until the 6th day, payment is made by the 10th day. For workers resigning between the 6th day and 10th day, payment is made in the consecutive period (i.e 20th day of the month -- beyond the legally defined 7 days). 2. Date of payment is not recorded on the pay sheet of terminal dues.</p>
Recommendation for Immediate Action	<p>1. Wages that are due to any worker as part of terminal dues should be paid within 7 days post termination of employment. 2. Date of payment should be recorded on the pay sheet for terminal dues.</p>
Compliance Classifications	Immediate Action Required

Local Law	1. 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	1. Grievances reported to Supervisors are not documented, though worker interviews confirmed that they are addressed. 2. As stated by management, workers are free to report grievances against supervisors to the welfare officer and HR Team. Management stated that there have been no complaints in the past 7 years and no documentation is maintained. The log of grievances reported to Welfare officers revealed 9 grievances with 6 of them pertaining to quarrels between workers, 1 pertaining to non-approval of worker leave by Supervisor, 1 pertaining to misbehavior by needle issue person, and 1 pertaining to reluctance to do the assigned job. The Log of grievances reported the grievance box recorded 1 grievance in past 12 months pertaining to songs not being played during work hours. The action taken for addressing grievances reported using the grievance box is communicated to workers through a notice posted on the notice board. For grievances reported through other channels, the factory uses the centralized public address system.
Recommendation for Immediate Action	It is recommended to log grievances reported to supervisors.
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	As a practice, workers working in childcare do not receive specific health and safety/hygiene training from the factory. The current childcare worker is trained by an external organization involved with setting up childcare centers across factories.
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	Managers and supervisors obtain some awareness but are not fully aware of disciplinary practices.
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	Factory does not provide any specific training to the relevant supervisors that include FLA's Code elements and Employment Functions.
Recommendation for Immediate Action	
Compliance Classifications	Sustainable Improvement Required
Local Law	
Benchmark ID	ER.1.1
Benchmark Details	Employers shall have in place written policies and practices and maintain proper and accurate records governing all aspects of employment from recruitment, hiring and probation, including written terms and conditions of employment, job descriptions, administration of compensation, and working hours for all positions, through to retrenchment and termination processes.
Finding Details	1. Written procedures on hiring do not include information on maintaining and updating employment records and requirements for the training of responsible persons. 2. Factory does not have written procedures for Non-Discrimination, Forced Labour, Child Labour, Termination and Retrenchment, and Compensation.
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. Factory does not have written procedures for promotions or demotions, linkages to job grading, non-discrimination, and written feedback. 2. The criteria for evaluation of performance are not communicated to workers prior to evaluation of performance. An increment (5% to 10 % of basic wages) is provided upon completion of every year of employment. For sewing machine operators, results of skill test (35 % of total score) conducted by the industrial engineering team are shared with workers, and workers sign on the result sheet however results for evaluation of other criteria like efficiency, quality, attendance, punctuality, human relations, attitude, behavior, discipline, loyalty and response for changes for betterment/ enthusiasm for work (totaling 65% of the final score) are not shared with workers for review and acknowledgment of results. These aspects are completed by the production team based on feedback from the HR team. Based on the final score, increments are provided. For workers from other production processes, all aspects including skill levels are evaluated by the production team from the respective department based on verbal feedback from the team members. Results are not shared with workers. Hence the risk of incorrect evaluation and increment cannot be ruled out.
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 policies and procedures on demotions and job reassignments. 2. For workers who request a promotion to their supervisors, workers are promoted based on verbal feedback from the production team and no documentation is maintained as evidence for documented evaluation of performance. Due to the lack of documented results of the evaluation, it cannot be verified if promotions were fairly made.
Recommendation for Immediate Action	
Compliance Classifications	Sustainable Improvement Required
Local Law	
Benchmark ID	ER.19.1
Benchmark Details	Employers shall maintain on file all documentation needed to demonstrate compliance with the FLA Workplace Code and required laws.
Finding Details	1. Relevant FLA-affiliated company(ies') written workplace standards are not made available to workers, managers, and supervisors. 2. Grievances reported verbally are not documented. 3. Appointment letter is provided to new workers on the post-day of hire instead of provided on the day of hire.
Recommendation for Immediate Action	1. Relevant FLA-affiliated company(ies') written workplace standards should be made available to workers, managers, and supervisors. 2. Grievances reported verbally should be documented. 3. Appointment letter should be provided to new workers on the day of hire.

Compliance Classifications	Immediate Action Required
Local Law	Bangladesh EPZ Labour Act 2019 CHAPTER II CONDITIONS OF EMPLOYMENT AND SERVICE- Section 6. Appointment letter and identity card. - No employer shall employ any worker without giving an appointment letter and each such employed worker. shall be provided with an identity card with his photograph.
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	Factory does not specify "FLA's Code Elements" during orientation training for new workers. Information on Working hours, Wages, Leave, Behavior, and PPE is provided as noted from topics recorded on the attendance sheet signed by new workers. However, information on Grievance systems, Harassment & Abuse, and Freedom of Association is not included in training topics.
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	1. Written policies and procedures are reviewed and revised only when there are changes made in management systems. 2. Workers are not consulted or integrated into the decision-making process of aspects concerning workplace and 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. Factories located in Export Processing Zone are required to form a WWA (Worker Welfare Association) comprising elected representatives of workers if 20% of workers wish to create one. The factory has not formed WWA stating that workers were not interested in forming WWA. The factory has not conducted a survey or obtained written feedback or opinion from workers for not forming WWA. The local Zone authorities have written to the factory on September 14, 2022, instructing the factory to firm WWA by October 9, 2022. The factory did not respond to the instructions as noted during the assessment period. 2. Written procedures do not define the requirement for training for all employees. Written policy and Procedure do not include a Collective Bargaining Agreement.

Recommendation for Immediate Action	1. The factory should ensure workers are provided with the opportunity to form a Worker Welfare Association, and if workers do not wish to form one, adequate documentation should be maintained to communicate workers' opinions. 2. Written procedures should define the requirement for training for all employees. Written policy and Procedure should include a Collective Bargaining Agreement.
Compliance Classifications	Immediate Action Required
Local Law	Bangladesh EPZ Labour Act 2019 - CHAPTER IX WORKERS' WELFARE ASSOCIATION AND INDUSTRIAL RELATIONS-94. Formation of Workers' Welfare Association. (1) The workers employed in any enterprise in any Zone shall, subject to the provisions of this Chapter, for the purpose of performing functions relating to industrial relations, have the right to form and join the Workers' Welfare Association subject to its constitution. (2) If the workers employed in an industry in any Zone intend to form a Workers' Welfare Association, not less than 20% (twenty percent) of the permanent workers of the industry shall apply to form a Workers' Welfare Association on behalf of all workers in a prescribed form with signatures or thumb impressions, to the Executive Director (Labour and Industrial Relations).

### 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	Written procedures on Harassment and Abuse do not include the requirement to train employees.
Recommendation for Immediate Action	

Compliance Classifications	Sustainable Improvement Required
Local Law	
<b>Health, Safety And Environment (HSE)</b>	
Benchmark ID	HSE.30.1
Benchmark Details	Employers shall develop, maintain, and regularly review health, safety, and environmental policies to ensure that they comply with all national laws, regulations and the FLA Workplace Code concerning health, safety, and environmental standards, regulations and procedures.
Finding Details	1. Factory does not have written procedures on environmental protection. 2. Written procedures on Health & Safety do not include requirements of trainings for employees or the maintenance of documentation (inventory, inspections, replacements) pertaining to PPEs, maintenance equipment, fall protection equipment, and inspection of first aid supplies. 3. Factory does not have written procedures for environmental emergencies and waste management, 4. Written procedures on health and safety do not include information on the maintenance schedule for machinery and training of persons.
Recommendation for Immediate Action	
Compliance Classifications	Sustainable Improvement Required
Local Law	
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	Assembly areas in case of an evacuation are located outside the factory gates on the main road along the wall of the factory. The areas are not marked to restrict parking of vehicles in the area. On the assessment days, cargo trucks were parked in the area. This could be a risk of space not being available in the case of an emergency, and a risk of injury from moving vehicles on the road.
Recommendation for Immediate Action	Factory should ensure adequate space is available at all times for assembly of workers in case of an evacuation.
Compliance Classifications	Immediate Action Required
Local Law	Bangladesh EPZ labour Act 2019 - CHAPTER IV OCCUPATIONAL SAFETY AND HEALTH, CLEANLINESS, SAFE WORK, SAFETY AND WELFARE MEASURES -Section 35. Health and safety related general rules - (1) It is the duty and responsibility of each employer to ensure and to maintain a safe and secure healthy and congenial condition of work in his enterprise. (3) The Authority shall ensure the following matters relating to health and safety, by regulations, in the enterprises(f) safety of factory building and precaution as to fire.
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 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	Bins to store garments are placed on either side of sewing machine operators who sit adjacent to each other and in some instances, workers are caged in their workstations. Trolleys are placed behind cut fabric bundlers in the cutting section. This arrangement restricts easy and quick access to passages behind workers.
Recommendation for Immediate Action	Factory should ensure that workers have quick and unrestricted access to passages for safe evacuation.
Compliance Classifications	Immediate Action Required
Local Law	Bangladesh EPZ labour Act 2019 - CHAPTER IV OCCUPATIONAL SAFETY AND HEALTH, CLEANLINESS, SAFE WORK, SAFETY AND WELFARE MEASURES -Section 35. Health and safety related general rules - (1) It is the duty and responsibility of each employer to ensure and to maintain a safe and secure healthy and congenial condition of work in his enterprise. (3) The Authority shall ensure the following matters relating to health and safety, by regulations, in the enterprises(f) safety of factory building and precaution as to fire.
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	A spill response kit is not provided in the oil storage area.



Recommendation for Immediate Action	A spill response kit should be provided in the oil storage area.
Compliance Classifications	Immediate Action Required
Local Law	Bangladesh EPZ labour Act 2019 - CHAPTER IV OCCUPATIONAL SAFETY AND HEALTH, CLEANLINESS, SAFE WORK, SAFETY AND WELFARE MEASURES -Section 35. Health and safety related general rules - (1) It is the duty and responsibility of each employer to ensure and to maintain a safe and secure healthy and congenial condition of work in his enterprise.
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	Hand dryers are not provided in toilets.
Recommendation for Immediate Action	Hand dryers should be provided in toilets.
Compliance Classifications	Immediate Action Required
Local Law	No direct legal reference.
Benchmark ID	HSE.14.1
Benchmark Details	All production machinery, equipment and tools shall be properly guarded and regularly maintained.

<p>Finding Details</p>	<p>1. Factory utilizes rental vehicles but it does not inspect these vehicles for safe driving practices. 2. Traffic lanes and walk paths are not marked inside the factory. 3. Factory does not verify if authorized and trained persons are driving vehicles. 4. Needle guards are pushed upwards by sewing machine operators on 95% of sewing machines rendering them ineffective in protecting against injury to fingers. 5. Cargo lifts are inspected by external service providers every month, however the factory does not maintain competency and authorization certificates of the inspectors to confirm their qualification. Inspection done by unauthorized persons could be a risk for accidents. 6. lockout-tagout arrangement is available in the factory, however ut is not used at all.</p>
<p>Recommendation for Immediate Action</p>	<p>1. Factory should periodically inspect vehicles used for safe driving practices. 2. Traffic lanes and walk paths should be marked inside the factory. 3. Factory should verify that authorized and trained persons are driving vehicles. 4. Needle guards on sewing machines should be maintained in place to effectively prevent injury to the fingers of sewing machine operators. 5. Cargo lifts should be inspected by competent persons. 6. Lockout-tagout arrangement should be used effectively.</p>
<p>Compliance Classifications</p>	<p>Immediate Action Required</p>
<p>Local Law</p>	<p>Bangladesh EPZ labour Act 2019 - CHAPTER IV OCCUPATIONAL SAFETY AND HEALTH, CLEANLINESS, SAFE WORK, SAFETY AND WELFARE MEASURES -Section 35. Health and safety related general rules - (1) It is the duty and responsibility of each employer to ensure and to maintain a safe and secure healthy and congenial condition of work in his enterprise. (2) Each employer shall take the following measures in his enterprise in such manner as may be prescribed by regulations- (a) to provide and maintain the safe factory building and internal system of the building, floor, stairs and passage and machinery and plant and working system for the safety and security of lives.(b) to ensure the absence of any risk to safety and health while using, preserving and carrying any substance, materials etc</p>
<p>Benchmark ID</p>	<p>HSE.6.1</p>

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	Insufficient PPE is provided for the 145 members of the firefighting team. In total, there are 140 Respiratory masks, 160 Hand gloves, 83 Helmets, 78 Safety Shoes, and 2 Fire suits
Recommendation for Immediate Action	Ensure adequate PPEs are provided to the firefighting team.
Compliance Classifications	Immediate Action Required
Local Law	No specific legal reference
Benchmark ID	HSE.4.1
Benchmark Details	Employers shall at all times be in possession of all legally required and valid permits and certificates related to health, safety, and environmental issues, such as: Purchase and storage of chemicals; Fire safety inspections; Machinery inspections; Waste disposal; Environmental licenses/permits; Sanitation permits, including those required for canteens; and Vehicle inspection and driver permits for all employer provided transportation.
Finding Details	Boilers (2) are inspected by external agencies, however, the competency/authorization certificate of inspectors is not available for verification. Inspection by unauthorized persons could be a risk for accidents.
Recommendation for Immediate Action	Ensure competency/authorization certificate of boiler inspectors is maintained with certificate/inspection reports.
Compliance Classifications	Immediate Action Required

Local Law	Bangladesh EPZ labour Act 2019 - CHAPTER IV OCCUPATIONAL SAFETY AND HEALTH, CLEANLINESS, SAFE WORK, SAFETY AND WELFARE MEASURES -Section 35. Health and safety related general rules - (1) It is the duty and responsibility of each employer to ensure and to maintain a safe and secure healthy and congenial condition of work in his enterprise.
Benchmark ID	HSE.1
Benchmark Details	Employers shall comply with all national laws, regulations and procedures concerning health, safety, and the environment.
Finding Details	1. Load capacity is not posted on fabric storage racks. 2. Factory has one trained childcare worker, and, in her absence, the female welfare officer and 2 female worker counselors work as attendants. These persons are not trained in childcare which could be a risk to children. 3. Emergency lights are not installed above both exits from the training room. 4. Common glasses provided in drinking water stations are used by workers to drink water. This arrangement may not be hygienic. 5. All workers in the factory work bare feet as the factory follows 5-S standards on cleanliness. Working barefoot may impact the health of workers and also could be a risk for injury from small broken metal objects lying on the floor.
Recommendation for Immediate Action	1. Load capacity should be posted on fabric storage racks. 2. Factory should ensure trained childcare workers are employed. 3. Emergency lights should be installed above both exits from the training room. 4. Arrangements for drinking water should be made that are hygienic. 5. Appropriate arrangements should be made to reduce the risk of injury from small broken metal objects lying on the floor for workers who work barefoot.
Compliance Classifications	Immediate Action Required

Local Law	Bangladesh EPZ labour Act 2019 - CHAPTER IV OCCUPATIONAL SAFETY AND HEALTH, CLEANLINESS, SAFE WORK, SAFETY AND WELFARE MEASURES -Section 35. Health and safety related general rules - (1) It is the duty and responsibility of each employer to ensure and to maintain a safe and secure healthy and congenial condition of work in his enterprise. (2) Each employer shall take the following measures in his enterprise in such manner as may be prescribed by regulations- (a) to provide and maintain the safe factory building and internal system of the building, floor, stairs and passage and machinery and plant and working system for the safety and security of lives.(b) to ensure the absence of any risk to safety and health while using, preserving and carrying any substance, materials etc (i) to provide adequate pure drinking water facilities at any suitable point in each enterprise for all workers working therein; (f) safety of factory building and precaution as to fire.
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 engaged in civil works and for cleaning confined spaces.
Recommendation for Immediate Action	Ensure safety information is provided to contractors hired for civil works and for cleaning confined spaces.
Compliance Classifications	Immediate Action Required
Local Law	Bangladesh EPZ labour Act 2019 - CHAPTER IV OCCUPATIONAL SAFETY AND HEALTH, CLEANLINESS, SAFE WORK, SAFETY AND WELFARE MEASURES -Section 35. Health and safety related general rules - (1) It is the duty and responsibility of each employer to ensure and to maintain a safe and secure healthy and congenial condition of work in his enterprise.
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	Safe operating instructions are not displayed on or near machines used in the factory.
Recommendation for Immediate Action	Safe operating instructions should be displayed on or near machines used in the factory.
Compliance Classifications	Immediate Action Required
Local Law	Bangladesh EPZ labour Act 2019 - CHAPTER IV OCCUPATIONAL SAFETY AND HEALTH, CLEANLINESS, SAFE WORK, SAFETY AND WELFARE MEASURES -Section 35. Health and safety related general rules (1) It is the duty and responsibility of each employer to ensure and to maintain a safe and secure healthy and congenial condition of work in his enterprise.(2) Each employer shall take the following measures in his enterprise in such manner as may be prescribed by regulations (c) to aware each worker about the hazard of the work through necessary instructions and training, as the case may be, in order to ensure the protection and safety of personal health in working place.
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. Openings to confined space is on walkways used by workers. There are metal covers on the openings. There is no safety sign or fence to warn workers. 2. Factory does not have written procedures for entering confined spaces. Cleaning of confined space is outsourced to the service provider and the factory does not maintain documentation, for example, dates when tanks were cleaned and information on safety parameters followed during the cleaning process.
Recommendation for Immediate Action	1. Openings to confined spaces on walkways should be fenced and have safety signs to warn workers. 2. Ensure there are written procedures for persons entering confined spaces.

Compliance Classifications	Immediate Action Required
Local Law	Bangladesh EPZ labour Act 2019 - CHAPTER IV OCCUPATIONAL SAFETY AND HEALTH, CLEANLINESS, SAFE WORK, SAFETY AND WELFARE MEASURES -Section 35. Health and safety related general rules - (1) It is the duty and responsibility of each employer to ensure and to maintain a safe and secure healthy and congenial condition of work in his enterprise.
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	1. Factory has conducted an assessment for work hazards in the workplace and the intensity of risk marked on a scale of 1 to 25. There is no information on the number of persons that would be impacted and the frequency of injuries/ accidents that could occur. There is no information on administrative and engineering controls.
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	Fall protection equipment is not inspected regularly.
Recommendation for Immediate Action	Fall protection equipment should be inspected regularly.
Compliance Classifications	Immediate Action Required
Local Law	Bangladesh EPZ labour Act 2019 - CHAPTER IV OCCUPATIONAL SAFETY AND HEALTH, CLEANLINESS, SAFE WORK, SAFETY AND WELFARE MEASURES -Section 35. Health and safety related general rules - (1) It is the duty and responsibility of each employer to ensure and to maintain a safe and secure healthy and congenial condition of work in his enterprise.
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	1. Maintenance workers were not using the safety shoes provided. Welders took time to locate their hand gloves which indicate they are not used frequently. 2. In the past 12 months, training on PPE was provided to 375 out of 1928 workers.
Recommendation for Immediate Action	1. Ensure PPEs are used during all work hours by maintenance persons. 2. Ensure all workers are trained on PPE.
Compliance Classifications	Immediate Action Required



Local Law	Bangladesh EPZ labour Act 2019 - CHAPTER IV OCCUPATIONAL SAFETY AND HEALTH, CLEANLINESS, SAFE WORK, SAFETY AND WELFARE MEASURES -Section 35. Health and safety related general rules - (1) It is the duty and responsibility of each employer to ensure and to maintain a safe and secure healthy and congenial condition of work in his enterprise. (3) The Authority shall ensure the following matters relating to health and safety, by regulations, in the enterprises (c) to take precautionary measures and to protect eyes from the fencing of machinery, work on or near machinery in motion, striking gear and devices for cutting off power supply, cranes and other lifting machinery, hoist and lift, revolving machinery, pressure plant, excessive weights, explosive or inflammable gas, dust, smoke, etc.;
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. Factory does not provide training to workers operating machinery and vehicles. 2. Factory does not provide safety training to designated workers with special/high-risk responsibilities (working with laser, radiation or electrical issues, confined space, lockout/tagout, work at heights)
Recommendation for Immediate Action	
Compliance Classifications	Sustainable Improvement Required
Local Law	Bangladesh EPZ labour Act 2019 - CHAPTER IV OCCUPATIONAL SAFETY AND HEALTH, CLEANLINESS, SAFE WORK, SAFETY AND WELFARE MEASURES -Section 35. Health and safety related general rules (1) It is the duty and responsibility of each employer to ensure and to maintain a safe and secure healthy and congenial condition of work in his enterprise.(2) Each employer shall take the following measures in his enterprise in such manner as may be prescribed by regulations (c) to aware each worker about the hazard of the work through necessary instructions and training, as the case may be, in order to ensure the protection and safety of personal health in working place.

Benchmark ID	HSE.9.2
Benchmark Details	Workers shall receive training, appropriate to their job responsibilities, concerning the hazards, risks and the safe use of chemicals and other hazardous substances.
Finding Details	In the past 12 months, training on chemicals was provided to 3 out of 10 workers that handle chemicals.
Recommendation for Immediate Action	
Compliance Classifications	Sustainable Improvement 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	Anti-fatigue mats are not provided to workers with standing jobs in the cutting section and for a few workers in the checking and packing sections. Workstations in checking and packing sections are not adjustable in height.
Recommendation for Immediate Action	Anti-fatigue mats should be provided to workers with standing jobs in the cutting section and for all workers in the checking and packing sections. Workstations in checking and packing sections should be adjustable in height.
Compliance Classifications	Immediate Action Required
Local Law	Bangladesh EPZ labour Act 2019 - CHAPTER IV OCCUPATIONAL SAFETY AND HEALTH, CLEANLINESS, SAFE WORK, SAFETY AND WELFARE MEASURES -Section 35. Health and safety related general rules (1) It is the duty and responsibility of each employer to ensure and to maintain a safe and secure healthy and congenial condition of work in his enterprise.

## 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	<p>Management stated that one set of timecards is maintained for all workers. They confirmed that workers do not work beyond 2 hours of overtime on any day and compensation for regular hours and 2 hours of overtime is transferred to the bank account of workers via one transaction made every month. Information gathered from workers interviewed revealed that 2 transactions are made for some workers. The 1st transaction reflected as "SALARY" is the amount paid for 8 regular hours and 2 hours of overtime worked while the 2nd transaction called "EXTRA OT" pertains to additional OT hours worked beyond 2 hours a day. Pictorial evidence of notifications from the bank to workers for the 2 transactions was gathered by assessors. A snack allowance of taka 20 (USD 0.24) is paid to workers who work beyond 2 hours of overtime. Information on the additional overtime hours (extra OT) was not disclosed and shared by management and is not reflected on timecards.</p>
Recommendation for Immediate Action	Management should be transparent and share information on complete hours of work and practices followed.
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. Workers work overtime on all days of the month. 2. Law allows encashment of unused earned leave for days in excess of leave days accumulated in 1 year calculated at 1 day earned for every 18 days worked. As a practice, the factory pays wages for 100 % of earned leave every calendar year, therefore workers do not have any earned leave to credit. When required, workers can use 10 days of casual leave and 14 days of sick leave for paid leaves. The practice of encashing earned leaves may discourage workers from using their leaves as they prefer to get cash.
Recommendation for Immediate Action	1. Workers should not be required to work overtime on all days in the month. 2. As legally allowed, 50% of unused leave may be paid instead of paying 100% of unused leave. Workers should be encouraged to use their leaves.
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.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	Factory does not have written procedures for hours of work including exceptional circumstances.
Recommendation for Immediate Action	
Compliance Classifications	Sustainable Improvement Required
Local Law	
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 is planned for 10 hours (8 regular hours + 2 hours of overtime) of work every day.
Recommendation for Immediate Action	Production should be planned for 8 regular hours of work per day and not include overtime.
Compliance Classifications	Immediate Action Required
Local Law	
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 2 hours prior to the start of overtime work and not prior to the beginning of the shift.
Recommendation for Immediate Action	
Compliance Classifications	Sustainable Improvement Required
Local Law	
Benchmark ID	HOW.22.5
Benchmark Details	Time records maintained shall be authentic and accurate.

<p>Finding Details</p>	<p>Management stated that one set of timecards is maintained for all workers. They confirmed that workers do not work beyond 2 hours of overtime on any day and compensation for regular hours and 2 hours of overtime is transferred to the bank account of workers via one transaction made every month. Information gathered from workers interviewed revealed that 2 transactions are made for some workers. The 1st transaction reflected as "SALARY" is the amount paid for 8 regular hours and 2 hours of overtime worked while the 2nd transaction called "EXTRA OT" pertains to additional OT hours worked beyond 2 hours a day. Pictorial evidence of notifications from the bank to workers for the 2 transactions was gathered by assessors. A snack allowance of taka 20 is paid to workers who work beyond 2 hours of overtime as per information gathered from work interviews however management stated that the allowance is provided to supervisors who work for 2 hours of OT post-completion of regular work hours. Information on the additional overtime hours (extra OT) was not disclosed and shared by management and is not reflected on timecards. It appears that the factory maintains multiple timecards.</p>
<p>Recommendation for Immediate Action</p>	<p>See the recommendation for HOW.22.2</p>
<p>Compliance Classifications</p>	<p>Immediate Action Required</p>
<p>Local Law</p>	

