

# Fair Labor Association: Independent External Factory Assessment

Assessment Date :

**23 Aug 2023**



## Factory Information

FLA Affiliates	Colosseum Athletic Corporation
Country	Bangladesh
Number of Workers	1266

## 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)	1
Employment Relationship (ER)	11
Harassment Or Abuse (H/A)	1
Health, Safety And Environment (HSE)	9
Hours Of Work (HOW)	2

## Assessment Information

Assessor	Innovatus
Assessment Date	23 Aug 2023

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	There is no mechanism in place to assign higher job grades and thus higher wages to workers who have long tenures at the factory. The Bangladesh Minimum Wage Notification lays out a pay scale with 7 grades, with Grade 7 being the lowest at Taka 8,000. 241 sewing operators and cutting workers in the factory are paid under Grade 7 as defined by the Notification. 20% of these Grade 7 employees have been working with the factory for more than 10 years, but still have the same designation, although they have gained experience and skills and thus could be entitled to a promotion to the next grade. There are no workers paid under Grade 1 and 2 as defined by the Notification.
Recommendation for Immediate Action	
Compliance Classifications	Sustainable Improvement Required
Local Law	"Minimum wage for Garment Industry Date: 24 January 2019" Schedule-Ka Grades/Wage 1 Taka 18257 2 Taka 15416 3 Taka 9845 4 Taka 9347 5 Taka 8875 6 Taka 8420 7 Taka 8000

### Employment Relationship (ER)

Benchmark ID	ER.17.5
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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	The factory has multiple grievance channels available to workers, including the Amader Kotha program, the FairWear Foundation hotline, and direct lines to companies. In addition, there are complaint boxes for workers to use to communicate with management. However, the factory does not keep a central, consolidated system record of grievances received and how they were handled.
Recommendation for Immediate Action	
Compliance Classifications	Sustainable Improvement Required
Local Law	Bangladesh Labour Rules, 2015 - Rule 33
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	Management staff do not receive any regular trainings, resulting in low awareness of the Code elements and Employment Functions among both supervisors and workers.
Recommendation for Immediate Action	
Compliance Classifications	Sustainable Improvement Required
Local Law	Bangladesh Labour Act, 2006 - Chapter 2, Conditions and Terms of Employment
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	Supervisor trainings do not cover key topics including non-discrimination, discipline, grievance handling, working hours, benefits (including leave), and freedom of association. Supervisors and lower-level management staff are not aware of the factory's employment terms and conditions and thus have limited ability to communicate those terms to the workers.
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	The factory's Participation Committee is not functioning effectively. Roles and responsibilities for the Committee are not well-defined, and members are not aware of their roles and functions.
Recommendation for Immediate Action	
Compliance Classifications	Sustainable Improvement Required
Local Law	Bangladesh Labour Act, 2006 - Sections 183 to 202 Bangladesh Labour Rules, 2015 - 205, 206
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	Workers have limited awareness and understanding regarding the terms and conditions of their employment, especially regarding benefits (including leave). Other areas with generally low awareness include disciplinary policies, resignation and termination, and freedom of association.
Recommendation for Immediate Action	
Compliance Classifications	Sustainable Improvement Required
Local Law	Bangladesh Labour Act, 2006 - Chapter 2, Conditions and Terms of Employment Bangladesh Labour Rules, 2015 - Rule 106
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	There is no system in place to track worker performance to facilitate promotions. Currently, 20% of Grade 7 employees at the factory have been working for more than 10 years but are still at the same pay grade. The assessment noted instances in which a newly hired worker is paid the same as one with 5-10 years of experience. There are no workers at the Grade 1 or Grade 2 levels at the factory. Based on the sampled documents reviewed, less than 5% of workers have ever received performance reviews. See finding C.1.1 for explanation of the Grades.

Recommendation for Immediate Action	
Compliance Classifications	Sustainable Improvement Required
Local Law	Minimum wage for Garment Industry, January 24th, 2019
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	There are no policies or procedures on promotion, demotion, and job reassignment. As a result, the factory has not promoted workers who are likely entitled to a promotion.
Recommendation for Immediate Action	
Compliance Classifications	Sustainable Improvement Required
Local Law	Minimum wage for Garment Industry, January 24th, 2019
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	Workers at the factory are not aware of the FLA Code or the FLA member company's code standards.
Recommendation for Immediate Action	



Compliance Classifications	Sustainable Improvement Required
Local Law	
Benchmark ID	ER.3.1
Benchmark Details	Employers shall provide an orientation to new employees at the time of hiring, which includes explanations of the employers' rules, compensation package and policies for human resources, grievance systems, industrial relations, including respect of the right to freedom of association, workers' rights and responsibilities, FLA Code of Conduct, health and safety, and environmental protection.
Finding Details	The factory's training for new workers covers only basic information such as salary and shift schedules. There is no training on discrimination, anti-harassment policies, grievance policies, or freedom of association. The assessment found that even workers who have been at the factory for some time have limited awareness and understanding regarding the terms and conditions of their employment, especially benefits.
Recommendation for Immediate Action	
Compliance Classifications	Sustainable Improvement Required
Local Law	Bangladesh Labour Act, 2006 - Chapter 2, Conditions and Terms of Employment
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	There is no effective system for gathering worker input to review workplace policies and procedures. The factory has established mandated workplace committees (the Participation Committee and the Health & Safety Committee), but in practice these are not effectively operated and are not used for engaging workers.

Recommendation for Immediate Action	
Compliance Classifications	Sustainable Improvement Required
Local Law	
Benchmark ID	ER.18.4
Benchmark Details	The disciplinary system shall include a third party witness during imposition, and an appeal process.
Finding Details	The factory's disciplinary procedures include a third party witness, but not an appeal system.
Recommendation for Immediate Action	
Compliance Classifications	Sustainable Improvement Required
Local Law	Bangladesh Labour Rules, 2015 - Rule 33

### Harassment Or Abuse (H/A)

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

Finding Details	The factory's Anti-Harassment Committee has no representatives from management; all members are workers. As a result, no member of the Committee has decision-making authority and it cannot implement changes to prevent harassment. Furthermore, the assessment found that the Committee exists only on paper and that there are no capacity-building mechanisms in place to strengthen the Committee.
Recommendation for Immediate Action	
Compliance Classifications	Sustainable Improvement Required
Local Law	Bangladesh Labour Rules 2015 (as amended in 2022) - Rule 361 KA

### Health, Safety And Environment (HSE)

Benchmark ID	HSE.5.1
Benchmark Details	All applicable, legally required or recommended elements of safe evacuation shall be complied with, including all of the following elements: posting evacuation plans; the installation and maintenance of fire alarms; the installation and maintenance of emergency lighting; ensuring aisles/exits are not blocked and that workers are not blocked within their workstations; employee education and training; and evacuation procedures and fire drills.
Finding Details	The aisle markings are faded throughout the factory.
Recommendation for Immediate Action	Ensure that floor markings for aisles and evacuation routes are clear throughout the facility.
Compliance Classifications	Immediate Action Required
Local Law	Bangladesh Labour Act, 2006 - Chapter 5
Benchmark ID	HSE.5.1.2

Benchmark Details	All applicable, legally required or recommended elements of safe evacuation shall be complied with, including all the following elements: installation and maintenance of fire alarms;
Finding Details	The fire alarm control panel showed alert messages dated from earlier in August 2023 that were still unresolved at the time of the assessment. These errors were related to panel connections, operational problems, and interference with the system.
Recommendation for Immediate Action	Ensure that the fire control panel is fully functional with accurate readings, and that any faults encountered are resolved promptly.
Compliance Classifications	Immediate Action Required
Local Law	Bangladesh Labour Act, 2006 - Chapter 6
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	In general, the factory floor is congested, restricting safe movement. The aisles in the sewing sections on the 2nd floor and 4th floors are 32" instead of 36," as is legally required. Fabric rolls and piles of materials on the floor leave limited space for workers to move.
Recommendation for Immediate Action	Ensure that all evacuation routes and aisles are clear and un-obstructed at all times to enable easy evacuation in case of emergencies. Aisle width should be as per law.
Compliance Classifications	Immediate Action Required
Local Law	Bangladesh Labour Act, 2006 - Chapter 6
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. The assessment observed water leakage in the stalls of the toilets. 2. There is soap or hand drying facilities in the toilets.
Recommendation for Immediate Action	1. Keep toilet facilities hygienic and in good working order at all times. 2. Provide soap and the means to dry hands in all toilets.
Compliance Classifications	Immediate Action Required
Local Law	Bangladesh Labour Act, 2006 - Chapter 7, Section 59
Benchmark ID	HSE.13
Benchmark Details	All necessary ventilation, plumbing, electrical, noise and lighting services shall be installed and maintained to conform to applicable laws and to prevent or minimize hazardous conditions to workers in the facility.
Finding Details	1. Workers in generator room are provided with earmuffs, but these are not effective as the noise level is extremely high. 2. The assessment reviewed records of hearing tests conducted by the factory and noted that the results were exactly the same across all employees tested. The graphs of test results were identical for all subjects. The test report also stated that the equipment for conducting the test was last calibrated in 1999.
Recommendation for Immediate Action	1. Ensure that the generator is isolated with measures to control the noise level and that adequate PPE is available. 2. Ensure that hearing tests are conducted effectively and that relevant machines are calibrated and in good working condition.
Compliance Classifications	Immediate Action Required
Local Law	Bangladesh Labour Act, 2006 - Chapter 7
Benchmark ID	HSE.6.1

Benchmark Details	All safety and medical equipment (e.g. fire fighting equipment, first aid kits) shall be available in sufficient numbers throughout the workplace, maintained and stocked as prescribed, and easily accessible to workers.
Finding Details	The backup diesel generator for the fire pump is not tested for 30 minutes every two weeks, as is legally required. Currently, the factory's tests last only 5 minutes.
Recommendation for Immediate Action	Ensure that the backup diesel generator of the fire pump is tested for 30 minutes on fortnightly basis, as per legal requirements.
Compliance Classifications	Immediate Action Required
Local Law	Bangladesh Labour Act, 2006 - Chapter 6
Benchmark ID	HSE.17.2
Benchmark Details	Employers shall train workers in proper lifting techniques, and items such as lifting belts shall be provided.
Finding Details	The 26 workers in the loading area (see finding HSE.17.1) are not trained in proper lifting techniques to safeguard against injury risk.
Recommendation for Immediate Action	Provide loaders with training in lifting techniques to avoid injuries.
Compliance Classifications	Immediate Action Required
Local Law	Bangladesh Labour Act, 2006 - Chapter 7
Benchmark ID	HSE.30.2.6
Benchmark Details	The health, safety, and environmental policies shall contain the framework for a comprehensive health, safety, and environmental management system including a HS&E risk assessment within which the following are clear and regularly tested and reviewed:protections to workers who allege health, safety, and environmental violations;

Finding Details	The factory has not conducted a comprehensive risk assessment to identify potential risks and measures to mitigate those risks. The current risk assessment covers mostly fire safety.
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	Workers in the loading area are not provided with safety belts to safeguard against injury risk. Furthermore, there is no lift/elevator in the building, forcing loaders carry bundles up and down the 5-floor building on a regular basis. There are currently 26 loaders employed.
Recommendation for Immediate Action	Provide loaders with safety belts.
Compliance Classifications	Immediate Action Required
Local Law	Bangladesh Labour Act, 2006 - Chapter 7

### Hours Of Work (HOW)

Benchmark ID	HOW.11.1
Benchmark Details	Employers shall provide workers with paid annual leave as required under national laws, regulations and procedures.

Finding Details	The factory's leave policy has no provision for "casual" or "emergency" leave. The factory's practice is to deduct a full day's wage if a worker must miss or leave work without prior notice, even if the worker has performed work that day. Local law requires workers to have ten days of leave for personal emergencies or other reasons.
Recommendation for Immediate Action	Provide 10 days of paid casual leave, which workers can use without deductions to their wages. Formalize casual leave in the factory's leave policy.
Compliance Classifications	Immediate Action Required
Local Law	Bangladesh Labour Act, 2006 - Section 115 Bangladesh Labour Rules, 2015 - Rule 106
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	In the Dyeing and Knitting sections, workers typically work 12-hour shifts (there are 2 shifts of 12 hours). This results in workers working 72 hours per week on a regular basis. Although the factory pays workers properly for the overtime hours worked, workers are routinely exceeding the legal limit of 60 hours/workweek. There are 150 Dyeing workers and 24 Knitting workers with this schedule.
Recommendation for Immediate Action	Revise the shift schedule in the Dyeing and Knitting sections to ensure that workweeks do not exceed 60 hours on a regular basis.
Compliance Classifications	Immediate Action Required
Local Law	Bangladesh Labour Act , 2006 - Chapter 9 Bangladesh Labour Rules, 2015 - Chapter 9

