

Fair Labor Association: Independent External Factory Assessment

Assessment Date :

26 Aug 2023



Factory Information

FLA Affiliates	alphabroder
Country	Bangladesh
Number of Workers	5750

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)	3
Employment Relationship (ER)	13
Harassment Or Abuse (H/A)	1
Health, Safety And Environment (HSE)	8
Hours Of Work (HOW)	3
Nondiscrimination (ND)	2

Assessment Information

Assessor	Innovatus
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Assessment Date	26 Aug 2023
Assessment Purpose	

ASSESSMENT RESULTS

Compensation (C)

Benchmark ID	C.22
Benchmark Details	Employers must establish a system through which workers can dispute compensation and receive clarifications in this respect in a timely manner.
Finding Details	There is no system for workers to submit their concerns about wages and benefits. The Participation Committee is also not functional, where such issues can be raised and discussed.
Recommendation for Immediate Action	
Compliance Classifications	Sustainable Improvement Required
Local Law	
Benchmark ID	C.1.1
Benchmark Details	Employers shall comply with all national laws, regulations and procedures concerning the payment of compensation to workers.
Finding Details	There is a provision for short leave within the leave policy. However, the current practice is to deduct full-day wages even if the worker has attended half a day.
Recommendation for Immediate Action	Ensure that there is no illegal deduction for leaves availed by workers. Deduction if any, should be proportionate to the leave taken.
Compliance Classifications	Immediate Action Required

Local Law	Bangladesh Labour Rules 2015 - Rule 115 Bangladesh Labour Act, 2006 - Section 106
Benchmark ID	C.19.1
Benchmark Details	Employers shall make every reasonable effort to ensure workers understand their compensation, including: the calculation of wages, incentives systems, benefits, and bonuses they are entitled to at the workplace and under applicable laws.
Finding Details	Workers have limited awareness and understanding regarding the terms and conditions of their employment, especially on benefits including leaves and grievance mechanisms.
Recommendation for Immediate Action	Organize regular training sessions to ensure workers understand their benefits as per law.
Compliance Classifications	Immediate Action Required
Local Law	Bangladesh Labour Rules 2015 - Rule 115 Bangladesh Labour Act, 2006 - Section 106

Employment Relationship (ER)

Benchmark ID	ER.17.5
Benchmark Details	Employers shall have in place procedures to track the number, types, and timing and resolution of grievances, and to communicate the resolution of grievances to the workforce.
Finding Details	Please see ER 17.1
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	The factory provides training to workers, but it does not cover specific topics, including existing grievance mechanisms, disciplinary and non-discrimination policies, working hours, compensation and benefits, and freedom of association.
Recommendation for Immediate Action	
Compliance Classifications	Sustainable Improvement Required
Local Law	
Benchmark ID	ER.18.2
Benchmark Details	Employers shall ensure managers and supervisors are fully familiar with the workplace disciplinary system and in applying appropriate disciplinary practices.
Finding Details	Supervisors are not well aware of disciplinary procedures in place to discipline workers.
Recommendation for Immediate Action	
Compliance Classifications	Sustainable Improvement Required
Local Law	
Benchmark ID	ER.5.1

Benchmark Details	Employers shall ensure that all supervisors are trained in national laws, workplace regulations, and the FLA Code, workplace grievance systems, and the appropriate practices to ensure compliance.
Finding Details	The factory does not provide any specific training to the relevant supervisors that includes all FLA's Code elements and Employment Functions. Supervisors, middle management and lower management staff have limited ability to communicate with workers especially regarding discrimination, disciplinary policies, grievance handling mechanism in place, working hours, benefits including leave entitlement and freedom of association.
Recommendation for Immediate Action	
Compliance Classifications	Sustainable Improvement Required
Local Law	
Benchmark ID	ER.17.1
Benchmark Details	Employers shall have a clear and transparent system of worker and management communication that enables workers to consult with and provide input to management. This might include suggestion boxes, worker committees, designated spaces for worker meetings, union representatives, and meetings between management and workers' representatives.
Finding Details	1. There are complaint boxes provided in worker toilets. However, workers do not prefer to use them as they do not find them effective. Workers mostly report to their supervisors or line in-charge. 2. Factory does not keep a consolidated and centralised system record or analysis of grievances handled and resolved, including grievances received through hotlines.
Recommendation for Immediate Action	Management needs to ensure that there is a consolidated and centralized system of records and analysis of grievances handled and resolved. Workers should be trained on all mechanisms to ensure effectiveness.

Compliance Classifications	Sustainable Improvement Required
Local Law	
Benchmark ID	ER.17.3
Benchmark Details	Employers shall have in place written procedures that allow a direct settlement of the grievance by the worker and the immediate supervisor. Where this is inappropriate or has failed, there should be additional options for senior management review and consideration, depending on the nature of the grievance and the structure and size of the enterprise.
Finding Details	There is no procedure where there is a mechanism to ensure direct settlement of disputes between a worker and supervisor, and it does not include senior management staff oversight.
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	There are no procedures on personnel development or skill enhancement for workers to help broaden their skill level at work.
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	There is no system in place for periodic performance reviews of workers, no mechanism in place for linkage for job grading.
Recommendation for Immediate Action	
Compliance Classifications	Sustainable Improvement Required
Local Law	
Benchmark ID	ER.8
Benchmark Details	Employers shall have written policies and procedures with regard to promotion, demotion, and job reassignment that outline the criteria, demonstrate linkages to job grading, and prohibit discrimination or use of demotion or job reassignment as a form of penalty or punishment, are provided in writing and seek feedback from employees in writing, and follow all local legal requirements.
Finding Details	The facility does not have policies and procedures on promotion, demotion and job reassignment.
Recommendation for Immediate Action	
Compliance Classifications	Sustainable Improvement Required
Local Law	

Benchmark ID	ER.4
Benchmark Details	Employers shall inform workers about workplace rules, environmental protection systems, health and safety information, and laws regarding workers' rights with respect to freedom of association, compensation, working hours, and any other legally required information, and the FLA Code through appropriate means, including posted in local language(s) throughout the workplace's common areas.
Finding Details	The factory does not provide regular communication or ongoing training to workers on FLA's Code elements and Employment Functions. FLA code is not made available for workers or posted in the factory.
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	A basic orientation training is in place, however trainings do not include all employment functions such as grievance mechanisms, disciplinary policies, discrimination, all benefits related to leaves, and freedom of association.
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	The factory does not consult workers in its annual review of policies and procedures, although a Participation Committee is in place. (The said committee is on paper only, and not effectively used in practise)
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 disciplinary procedures do not include an appeal process or provision of third party witness during the imposition of any disciplinary actions by the management.
Recommendation for Immediate Action	
Compliance Classifications	Sustainable Improvement Required
Local Law	

Harassment Or Abuse (H/A)

Benchmark ID	H/A.11
Benchmark Details	Employers shall have a system to discipline supervisors, managers or workers who engage in any physical, sexual, psychological or verbal violence, harassment or abuse, through measures such as compulsory counseling, warnings, demotions, and terminations or a combination thereof regardless of whether such action was intended as a means to maintain labor discipline with a view to preventing the reoccurrence of violence and harassment, and facilitating their reintegration into work, where appropriate.
Finding Details	Anti-Harassment Complaint Committee is not constituted as per law, which requires a complaint committee that should be headed by a woman. Currently, the Committee head is a male. The Committee has 7 members out of which 3 are management and 4 are workers. In terms of gender ratio, 5 are women. Committee members, especially the workers have very limited awareness regarding their role and responsibilities and have no authority. The worker members have no authority and thus end up playing limited role in the functioning of the Committee. The complaint box as per legal requirements is not opened by a member of the Complaint Committee. 2 members from management (2 welfare officers both female and 1 Ast. Manager Compliance).
Recommendation for Immediate Action	Ensure an effective system to investigate complaints and discipline supervisors, management staff incase of complaints.
Compliance Classifications	Immediate Action Required
Local Law	Rule 361 KA under Bangladesh Labour Rules 2015 (as amended in 2022)

Health, Safety And Environment (HSE)

Benchmark ID	HSE.6.2
Benchmark Details	A sufficient number of workers shall be trained in first aid and firefighting techniques. Training shall be upon hire and with periodic refresher training.

Finding Details	There is a shortage of fire fighters as currently there are 362 workers trained out of a total of 2284, which is less than the legal requirement of 18% from Fire Safety Control Department (FSCD). The required number is 411.
Recommendation for Immediate Action	Ensure at least 18% of workers are trained in fire fighting and records maintained accordingly.
Compliance Classifications	Immediate Action Required
Local Law	Bangladesh Labour Rules, 2015 - Rules 55 (10)
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	Current water level maintained for fire hydrant pump is at 30,058 gallons instead of 75,000 gallons which is less than the minimum required for 75 minutes of firefighting at any given time for the premises.
Recommendation for Immediate Action	Ensure that there is sufficient water available for fire fighting at all times.
Compliance Classifications	Immediate Action 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	Overall congestion on the floor, due to fabric rolls/piles lying around limited space for workers to move around especially in finishing sections.
Recommendation for Immediate Action	Ensure evacuation routes are free from from any obstruction.
Compliance Classifications	Immediate Action Required
Local Law	
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 exit at the back of the building leads to a limited space leading to the gate at the back and there is left over construction materials lying in the pathway that could restrict exit from the premises in case of an emergency. 2. Bathrooms found dirty and with water leakage in the stalls. No adequate drying facilities provided.
Recommendation for Immediate Action	1. Ensure that all garbage and left over construction materials are removed from the site. 2. Ensure bathrooms are clean, sanitized and dry with no water leakage.
Compliance Classifications	Immediate Action Required
Local Law	
Benchmark ID	HSE.1
Benchmark Details	Employers shall comply with all national laws, regulations and procedures concerning health, safety, and the environment.

Finding Details	1. Canteen capacity is limited and inadequate for the number of workers employed i.e., app. 650 workers can eat at one time, which comes to about 13% of total workers within the building (canteen is shared with 2 other units within the building). Law requires at least 20% capacity, and lunch break is spread over 2 hours and there is a 30 minute window for eating lunch and remaining for rest. However, after lunch there is no designated rest area for workers to take rest. Thus, after finishing lunch, workers come back to their workstation and take rest/sleep under the tables, sewing machines etc. 2. Waste storeroom has segregations in place but materials lying around haphazardly.
Recommendation for Immediate Action	Ensure canteen has sufficient space for workers to eat and rest. Ensure hazardous waste are properly stored in designated areas.
Compliance Classifications	Immediate Action Required
Local Law	
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	Construction works ongoing on production floor (offices etc.) and area is not marked and segregated. No safety signs are displayed and also no PPE in use.
Recommendation for Immediate Action	Ensure contractors and workers are provided with all safety information, provided PPE and facilities have signs while working on renovation work on production floor.
Compliance Classifications	Immediate Action Required
Local Law	
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	Loaders are not trained in proper lifting techniques nor are provided with safety belts to safeguard against injury risk. There are currently 41 loaders employed. At times when the lift is not working, the loaders have to carry load up for 7 floors.
Recommendation for Immediate Action	Provide training on lifting techniques to all loading section workers.
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. In most places anti-fatigue mats are not provided to workers in finishing and pressing, said operations are where workers have to stand most of the day. Very few places where mats are provided, mats are dilapidated and torn and thus cannot be utilized effectively.
Recommendation for Immediate Action	
Compliance Classifications	Sustainable Improvement Required
Local Law	
Hours Of Work (HOW)	
Benchmark ID	HOW.12.1

Benchmark Details	Employers shall not impose any undue restrictions on workers' use of annual leave.
Finding Details	Please review C.1.1
Recommendation for Immediate Action	
Compliance Classifications	
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	Excessive working hours are observed throughout the facility. Average is 75-80 hours during May, June and July, mostly in finishing department with around 85% of workers and in sewing department with around 80% workers.
Recommendation for Immediate Action	Ensure that working hours are within 60 hours per week on regular basis.
Compliance Classifications	Immediate Action Required
Local Law	Bangladesh Labour Act 2006, Chapter IX, Working Hours Sections 100 & 102
Benchmark ID	HOW.12.2
Benchmark Details	The time at which annual leave is taken is determined by employers in consultation with workers, taking into account work requirements and the opportunities for rest and relaxation available to workers.

Finding Details	There is no mechanism in place to consult workers through a worker committee. The legally required Participation Committee (PC) is not functioning effectively. Committee member roles and responsibilities are not well defined, as the members are not aware as to who does what. Capacity of PC members to handle their roles and responsibilities is limited. Agenda is very basic and nothing concrete or substantial being discussed. Therefore there is no active consultation process for the leaves.
Recommendation for Immediate Action	Ensure that the Participation Committee in place is effective.
Compliance Classifications	Immediate Action Required
Local Law	Section 205, 206, 207, 208 Bangladesh Labour Act, 2006

Nondiscrimination (ND)

Benchmark ID	ND.8.1
Benchmark Details	Employers shall abide by all protective provisions in national laws and regulations benefitting pregnant workers and new mothers, including provisions concerning maternity leave and other benefits; prohibitions regarding night work, temporary reassignments away from work stations and work environments that may pose a risk to the health of pregnant women and their unborn children or new mothers and their new born children, temporary adjustment of working hours during and after pregnancy, and the provision of breast-feeding breaks and facilities.

Finding Details	1. There are currently 19 pregnant workers the factory, as per list shared by management. There is no intervention or engagement by the Welfare Officer to engage and keep track of these workers throughout their pregnancy. 2. The current maternity policy is basic and does not cover legal requirements, such as; incase of miscarriage the woman will get four weeks of paid leave, which is currently not reflected in the factory leave policy. 3. Factory does not provide any comfortable seating arrangements for these women to enable a comfortable workstation and minimize work strain. 4. Childcare space is not enough as more workers have expressed their intention to bring children to work but due to space cannot. Currently, there is maximum capacity of 8-10 children.
Recommendation for Immediate Action	1. Revise the maternity policy, as per law incorporating 2022 amendments. 2. Ensure comfortable seating for pregnant women. 3. Ensure enhanced capacity of childcare so that new mothers especially can bring their children to work.
Compliance Classifications	Immediate Action Required
Local Law	Bangladesh Labour Rules, 2015 - Rule 38 (A) Leave for Miscarriage)
Benchmark ID	ND.12
Benchmark Details	Employers shall take measures to reasonably accommodate workers with (chronic) illnesses, including HIV/AIDS-related illnesses, which could include rearrangement of working time, the provision of special equipment, opportunities for rest breaks, time-off for medical appointments, flexible sick leave, part-time work and return-to-work arrangements.
Finding Details	Fatalities from the outbreak of Dengue continue in Bangladesh, including increased hospitalizations. Facility management does not track or undertake any special provisions to ensure protective measures against its spread through workplace, including raising worker awareness. Dengue (break-bone fever) is a viral infection that spreads from mosquitoes to people. It is more common in tropical and subtropical climates, and Bangladesh has had several outbreaks over the years.
Recommendation for Immediate Action	Undertake measures to ensure workers are protected from Dengue. Conduct training sessions for workers.

Compliance Classifications	Immediate Action Required
Local Law	

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