

Fair Labor Association: Independent External Factory Assessment

Assessment Date :

24 Jun 2024



Factory Information

FLA Affiliates	Fast Retailing Co., Ltd.,PUMA SE
Country	Bangladesh
Number of Workers	2687

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)	9
Health, Safety And Environment (HSE)	16
Hours Of Work (HOW)	2

Assessment Information

Assessor	SCSA
Assessment Date	24 Jun 2024
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 facility's trustee board for the contributory provident fund does not comply with Bangladesh EPZ Labor Rules 2022. The rules require the Member Secretary to be a welfare officer or a representative from the Human Resources department, however the facility assigned a Finance Manager to the position. Additionally, the President was not selected by the Workers Welfare Association, and there is no Vice-President position on the trustee board. 2. The facility did not obtain approval for the trustee board from the Additional Inspector General of Cumilla EPZ. 3. The trustee deed's terms and conditions for the provident fund do not comply with Bangladesh EPZ Labor Rules 2022 that stipulated that workers are entitled to receive contributions from both parties if they complete more than two years of service. The trustee deed requires more than three years. Additionally, for service between two and three years, workers receive 100% of their own contribution and 50% of the owner's contribution, with the remainder transferred to the owner's account. 4. According to the trustee deed, workers dismissed from service only receive their own contributions, while company contributions are transferred to the owner's account. However, workers should be entitled to 100% of both parties' contributions with profit according to Bangladesh EPZ Labor Rules 2022. 5. The loan and recovery terms in the trustee deed do not comply with Bangladesh EPZ Labor Rules 2022. The deed states that no member can take a second loan within six months of repaying the first, but this is not mentioned in Section 283 of the rules. 6. The factory did not conduct an audit of the provident fund accounts by a recognized audit firm. 7. Based on management interview and document review it was noted that the facility has made an agreement with 3rd party company for operating canteen or food shop inside of the factory. The facility sells canteen food items (Biscuit, Cake, Soft drinks) based on face value instead of purchase value but as per Bangladesh EPZ Labor Rules 2022, chapter 4, section 60: Canteen items should be sold without gain any profit.

<p>Recommendation for Immediate Action</p>	<p>1. Ensure the selection of the provident fund trustee board positions comply with Bangladesh EPZ Labor Rules 2022. 2. Obtain approval for the trustee board from the Inspector General of Cumilla EPZ. 3. Update the terms and conditions for the deed to the trustee according to Bangladesh EPZ Labor Rules. 4. Ensure workers receive entitled contribution of contributory provident fund money in circumstances of job separation by dismissal, termination, resignation, retrenchment, and discharge. 5. Update loan and loan recovery terms and condition as per Bangladesh EPZ Labor Rules. 6. Conduct audit of provident fund account by recognized audit firm. 7. The factory shall take necessary step to sell food item at the canteen with fair price and not gain any profit.</p>
<p>Compliance Classifications</p>	<p>Immediate Action Required</p>
<p>Local Law</p>	<p>1. Bangladesh EPZ Labor Rules 2022, Chapter 12, Section 256 2. Bangladesh EPZ Labor Rules 2022, Chapter 12, Section 259. 3. Bangladesh EPZ Labor Rules 2022, Chapter 12, Section 280, Sub-section 1. 4. Bangladesh EPZ Labor Rules 2022, Chapter 12, Section 280, Sub-section 3. 5. Bangladesh EPZ Labor Rules 2022, Chapter 12, Section 283. 6. Bangladesh EPZ Labor Rules 2022, Chapter 12, Section 278, Sub-section 1. 7. Bangladesh EPZ Labor Rules 2022, Chapter 4, section 60, sub-section 1: The food, beverages and other products supplied in the canteen shall be sold without profit and the quality and price of its products shall be determined and approved by the Canteen Management Committee.</p>
<p>Employment Relationship (ER)</p>	
<p>Benchmark ID</p>	<p>ER.14.1</p>
<p>Benchmark Details</p>	<p>Employers shall use standard contract language with employment agencies or intermediaries that specifically imparts power to employers to directly pay wages to migrant/ contract/ contingent/ temporary workers and ensures equality of compensation and workplace standards as set under the FLA Workplace Code and national laws and regulations.</p>

Finding Details	The facility uses contract labor for its security personnel and cleaning staff. However, the subcontractor's supplier license expired on December 1, 2023. The facility applied for renewal on January 15, 2024, but has not yet received an updated license from the Inspector General of the Mills and Factories Department.
Recommendation for Immediate Action	Ensure subcontractors maintain a valid supplier license, per Bangladesh Labor Rules 2015.
Compliance Classifications	Immediate Action Required
Local Law	Bangladesh Labor Rules 2015, Chapter 2, Section 7, Sub-section 1.
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 facility does not provide training to workers on the FLA's Code elements and employment functions. Instead, factory management stated that they communicate the FLA Code of Conduct to workers via the public announcement system.
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 are not fully familiar with the workplace disciplinary system. Interviews show that 50% have a very poor understanding of misconduct types, the disciplinary action process, the inquiry process, and the resulting punishments.
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 facility provided specific training to supervisors but it does not cover all the FLA's Code of Conduct elements and employment functions. The training only covers harassment, abuse, and non-discrimination.
Recommendation for Immediate Action	
Compliance Classifications	Sustainable Improvement Required
Local Law	
Benchmark ID	ER.6.1
Benchmark Details	Employers shall have written policies and procedures and implement practices that encourage ongoing training of all categories of workers with the goal of raising or broadening skills in order to advance in their careers within the factory or beyond.

Finding Details	The facility does not have written policies and procedures on personnel development that encourage ongoing training with the goal of raising or broadening workers' skills so they can advance in their careers.
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	The factory does not have policies and procedures on performance reviews that include steps and processes, linkages to job grading, nondiscrimination, written feedback, and compliance with legal requirement. Additionally, workers do not have an option to provide feedback regarding performance evaluation.
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 factory does not have policies and procedures on demotion and job reassignment for the workers. In addition, the factory does not have written procedures for promotion.
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	During the site tour, it was noted that the facility posted the FLA Code in the dining hall in English, not in Bengali which is native language 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	The orientation training for new workers does not cover all of the FLA's Code elements and employment functions. Topics such as employment relationships, non-discrimination, forced labor, child labor, and freedom of association and collective bargaining are not included in the training module.
Recommendation for Immediate Action	
Compliance Classifications	Sustainable Improvement Required
Local Law	

Health, Safety And Environment (HSE)

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	The facility has a written policy on Environmental Protection. However, there is no written Environmental Protection procedure that shows how to implement this policy.
Recommendation for Immediate Action	
Compliance Classifications	Sustainable Improvement Required

Local Law	
Benchmark ID	HSE.5.1.5
Benchmark Details	All applicable, legally required or recommended elements of safe evacuation shall be complied with, including all of the following elements: employee education and training
Finding Details	The factory did not provide refresher training for all members of the firefighting committee on a semi-annual basis. Out of 558 committee members, only 319 received refresher training between June 1, 2023, and June 26, 2024. Training was conducted in three batches on November 16, 2023, March 27, 2024, and April 3, 2024. In addition, the facility has total 3102 workers and factory staff and only 1068 employees received training on Fire safety within the last year. Training was last provided on March 6, 2024 with a total of 40 participants.
Recommendation for Immediate Action	Provide refresher training for all members of the firefighting committee on a semi-annual basis. Recommending to ensure all workers receive fire safety training periodically.
Compliance Classifications	Immediate Action Required
Local Law	Bangladesh EPZ Labor Rules 2022, Chapter 4, Section 45, Sub-section 12.
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.

<p>Finding Details</p>	<p>1. The facility prohibits smoking within 25 feet of building premises, entrances, exits, and operable windows, whereas the requirement is 50 feet (15 meters). 2. The facility lacks trolley-mounted fire extinguishers (25 kg) of Dry Chemical Powder, CO2, and Foam types in the electrical sub-station, generator room, and boiler room. Currently, only 6 kg Dry Chemical and CO2 fire extinguishers are provided. According to Bangladesh EPZ Labor Rules 2022, 25 kg trolley-mounted extinguishers are required. 3. In the HR induction room, marketing office, and sample section, all exits open inward instead of outward. There are more than 20 employees working in these spaces or the seating capacity exceeds 20. 4. In the cutting section, at least four aisle floor markings are faded, and in the sewing section, three aisle floor markings are faded. Additionally, there are no exit directional arrows or signs for easy evacuation in the following areas: at least four passageways in the finished goods warehouse, five in the fabric warehouse, two in the idle machine area, and three in the packing section.</p>
<p>Recommendation for Immediate Action</p>	<p>1. Prohibit smoking within 15 meters of all closed areas. 2. Provide trolley-mounted fire extinguishers (25 kg) of Dry Chemical Powder, CO2, and Foam types in the generator room, boiler room, and sub-station room. 3. Ensure all exits open outward. 4. Repaint all faded aisle markings and provide exit directional arrows or signs at all required passageways for easy evacuation in emergencies. Paint colors should be easily visible in dark and smoky conditions.</p>
<p>Compliance Classifications</p>	<p>Immediate Action Required</p>
<p>Local Law</p>	<p>1. Bangladesh EPZ Labor Rules 2022, Chapter 4, Section 87, Sub-section 2. 2. Bangladesh EPZ Labor Rules 2022, Chapter 4, Section 45, Sub-section 4. 3. Bangladesh EPZ Labor Rules 2022, Chapter 4, Section 103, Sub-section 5. 4. Bangladesh EPZ Labor Rules 2022, Chapter 4, Section 39, Sub-section E.</p>
<p>Benchmark ID</p>	<p>HSE.5.1.4</p>
<p>Benchmark Details</p>	<p>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</p>

Finding Details	The site tour noted that two aisles in the sewing section, one aisle each in the cutting section, packing section, finished goods warehouse, and accessories warehouse are partially blocked by goods, workstations, and equipment. Additionally, workers' evacuation routes and walkways in the cutting, sewing, and finishing sections are partially obstructed by goods, equipment, and coworkers.
Recommendation for Immediate Action	Ensure workers evacuation routes are not obstructed by goods, equipment and/or coworkers.
Compliance Classifications	Immediate Action Required
Local Law	Bangladesh EPZ Labor Rules 2022, Chapter 4, Section 39, Sub-section C.
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	The facility has two boilers, however, there is no hydraulic tests conducted on the boiler vessels by a qualified personnel or an organisation.
Recommendation for Immediate Action	Conduct hydraulic test of the boiler vessel by a qualified personnel or organization.
Compliance Classifications	Immediate Action Required
Local Law	Bangladesh EPZ Labor Rules 2022, Chapter 4, Section 43, Sub-section 6 and Bangladesh EPZ Labor Rules 2022, Chapter 4, Section 84, Sub-section 1 (GHA).
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	The generator room, compressor room, and sub-station room had noise level above 85 dB. The generator room noise level was at 98 dB, the compressor room noise level was at 95 dB, and the sub-station noise level was at 86 dB.
Recommendation for Immediate Action	Ensure the high-noise areas do not exceed 85 dB.
Compliance Classifications	Immediate Action Required
Local Law	Bangladesh Labor Rules 2015, Chapter 7, Section 68, Sub-section XXVII.
Benchmark ID	HSE.14.1
Benchmark Details	All production machinery, equipment and tools shall be properly guarded and regularly maintained.
Finding Details	1. Traffic lanes and walk paths in front of the entrance and exit gates, as well as inside the factory premises, are not clearly marked for vehicle movement. 2. The facility has two forklifts operated by finishing associates who lack the required licenses from the relevant authorities. 3. During the site tour, it was observed that at least five trolleys in the finished goods and fabric warehouses lack wheel brakes. Additionally, there is no routine inspection or checklist maintained for the moving ladder. 4. At least 20% of machines lack eye shields, and for high-speed machines, at least 10% have needle guards installed too high, compromising safety.
Recommendation for Immediate Action	1. Ensure all traffic lanes and walk path are clearly marked. 2. Ensure forklift operators have required license to operate the forklifts. 3. Provide speed control break on the trolley wheel. 4. Ensure all machines are properly guarded and provide a basic awareness training to workers for how to use the safety guards.

Compliance Classifications	Immediate Action Required
Local Law	1. Bangladesh EPZ Labor Rules 2022, Chapter 4, Section 39, Sub-section (e)/ Bangladesh EPZ Labor Rules 2022, Rule 39 (c). 2. Bangladesh Road Transport Act 2018 (Sarak Poribahan Act 2018) Chapter 2, Section 4. 4. Bangladesh EPZ Labor act 2019, Chapter 4, Section 35, Sub-section 2 (d).
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	1. At least 12 fire extinguishers were blocked by goods, finished goods cartons, trolleys, equipment, and construction materials in the marketing office, cutting section, sewing section, and finished goods warehouse. 2. No floor markings or obstacle signs were provided under at least 10% of the firefighting equipment throughout the facility. 3. At least six fire extinguishers were directly placed on the floor in the generator room, fabric warehouse, and finished goods warehouse.
Recommendation for Immediate Action	1. Ensure all firefighting equipment is free from obstructions. 2. Provide floor markings under all firefighting equipment. 3. Install fire extinguishers at an appropriate height.
Compliance Classifications	Immediate Action Required
Local Law	Bangladesh National Building Code 2020, Part 4, Chapter 4, Section 4.4, Sub-section 4.4.3.
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	1.The document review indicated that the environmental clearance certificate for the captive power plant expired on March 11, 2024. Although the facility applied for renewal on the same day, it has not yet received the renewed certificate. 2. The site tour and document review revealed that the facility operates three generators with a total capacity of 2,488 kilowatts but has not obtained the required operating permission from the relevant department. The facility applied for this permission on June 24, 2023, but has not yet received it.
Recommendation for Immediate Action	1. Obtain the renewed environmental clearance certificate from the relevant department. 2. Secure generator operating permission from the appropriate authority.
Compliance Classifications	Immediate Action Required
Local Law	1.Bangladesh Environmental Conservational Act 1995, Amendment 2010, Section 12 (1) 2. Bangladesh Energy Regulatory Commission Act, 2003, Section 27: (1) of Bangladesh
Benchmark ID	HSE.1
Benchmark Details	Employers shall comply with all national laws, regulations and procedures concerning health, safety, and the environment.

<p>Finding Details</p>	<p>1. The facility obtained a fire safety approval plan from Bangladesh Fire Service and Civil Defense on November 22, 2021, which expired on May 22, 2022. 2. During the site tour, it was noted that various types of waste, such as metal scrap, cupboards, chemical containers, and food waste, were stored around the factory premises in a disorganized manner without any cover, exposing them to rainwater and causing environmental pollution. Additionally, the facility does not dispose of waste through authorized waste facilities. It currently has a waste agreement with a construction company licensed by the Cumilla City Corporation as a class 3 contractor, importer, and exporter, but not for waste disposal.</p>
<p>Recommendation for Immediate Action</p>	<p>1. Update the fire safety plan from Bangladesh Fire Service & Civil Defense. 2. Ensure the safe disposal of waste material and waste management with an authorized waste disposal organization.</p>
<p>Compliance Classifications</p>	<p>Immediate Action Required</p>
<p>Local Law</p>	<p>1. Bangladesh EPZ Labor Rules 2022, chapter 4, section 45, sub-section 13/ Bangladesh National Building Code 2020, Part 4, Appendix A, Section A.6, Sub-Section A.6.1. 2. Bangladesh EPZ Labor Act 2019, Chapter 4, Section 35, Sub-section 3(a)/ Bangladesh EPZ Labor Rules 2022, Chapter 4, Section 66, Sub-section 1.</p>
<p>Benchmark ID</p>	<p>HSE.14.3</p>
<p>Benchmark Details</p>	<p>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.</p>
<p>Finding Details</p>	<p>It was observed during the site tour that safety instructions for hazardous machinery, such as boilers, compressors, chillers, auto cutters, auto spreaders, band knives, piping cutters, piping rollers, and heat seal machines, are not displayed in the native language. Currently, safety instructions are posted only in English and Chinese.</p>
<p>Recommendation for Immediate Action</p>	<p>Ensure all safety instructions are posted in the native language at all machines.</p>

Compliance Classifications	Immediate Action Required
Local Law	
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	The factory does not provide warning or hazard signs or markings at the confined spaces.
Recommendation for Immediate Action	Provide warning/ hazard signs or markings at the confined spaces.
Compliance Classifications	Immediate Action Required
Local Law	Bangladesh EPZ Labor Act 2019, Chapter 4, Section 35, Sub-section
Benchmark ID	HSE.30.3
Benchmark Details	Environmental policies shall include procedures to minimize environmental impacts with respect to energy, air emissions, water, waste, hazardous materials, and other significant environmental risks.
Finding Details	Environmental protection policy lacks a statement on factory management to support for energy and water efficiency, as well as a commitment to minimizing impacts related to air emissions, waste, hazardous materials, and other environmental risks.
Recommendation for Immediate Action	
Compliance Classifications	Sustainable Improvement 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	Facility employs two nurses, however, they do not have registration certificates from the Bangladesh Nursing and Midwifery Council. Initially the staff was appointed as medical assistants, their titles were later changed to nurses, despite having only completed a three-year medical assistant course.
Recommendation for Immediate Action	Ensure that all employed nurses have valid registration from the Bangladesh Nursing and Midwifery Council.
Compliance Classifications	Immediate Action Required
Local Law	Bangladesh Nursing and Midwifery Council Act 2016, Section 21, Sub-section 1
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. At least 20% of workers in the cutting, sewing, and finishing sections were not wearing face masks, and at least 10% of overlock machine operators and cutters were not wearing head coverings. Additionally, three ironers were working without rubber mats, and maintenance workers were not wearing Personal Protective Equipment (PPE). 2. The facility, which has 3,102 employees (workers and staff), provided PPE training to only 109 workers over the past year. The most recent training, conducted on March 4, 2024, had 32 participants.
Recommendation for Immediate Action	1. Ensure workers wear PPE during working hours. 2. Provide training to all workers on the correct use of PPE.
Compliance Classifications	Immediate Action Required

Local Law	1. Bangladesh EPZ Labor Rules 2022, Chapter 4, Section 42, Sub-section 2 and Bangladesh EPZ Labor Rules 2022, Chapter 4, Section 41, Sub-section 2. 2. Bangladesh EPZ Labor Rules 2022, Chapter 4, Section 41, Sub-section 1.
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 missing for at least 20% of standing workers in the cutting, sewing, quality, and finishing sections.
Recommendation for Immediate Action	Provide anti-fatigue mats for all standing workers.
Compliance Classifications	Immediate Action Required
Local Law	Bangladesh EPZ Labor Rules 2022, Chapter 4, Section 42, Sub-section

Hours Of Work (HOW)

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.

<p>Finding Details</p>	<p>Daily overtime hours are ranged from 2 to 8 hours, with daily working hours between 10 and 16 hours, and weekly working hours exceeding 60 hours. The maximum weekly working hours reached 70 hours. For example, in May 2024, at least 60% of sampling workers exceeded 60 weekly hours, with a maximum of 70 hours and daily maximum overtime was 2 hours. In April 2024, at least 60% of workers also exceeded 60 weekly hours, with a maximum of 70 hours, and daily maximum overtime was 2 hours. In March 2024, at least 20% of workers exceeded 60 weekly hours, with a maximum of 70 hours, and daily maximum overtime was 2 hours. The assessor noted a similar pattern across other months of the year. Only In February 2024 the daily maximum overtime hours reached 8 hours on rare occasion, such as on Feb 21, 2024 which was not in line with the law requirement and the weekly working hours was maximum at 66 hours in February 2024.</p>
<p>Recommendation for Immediate Action</p>	<p>Ensure that weekly working hours for workers are kept within 60 hours and the daily overtime shall not exceed 2 hours.</p>
<p>Compliance Classifications</p>	<p>Immediate Action Required</p>
<p>Local Law</p>	<p>1/ Bangladesh EPZ Labor Act 2019, Chapter 5, Section 40. 2/ Bangladesh EPZ Labor Act 2019, chapter 5, section 38</p>
<p>Benchmark ID</p>	<p>HOW.2</p>
<p>Benchmark Details</p>	<p>Workers shall be entitled to at least 24 consecutive hours of rest in every seven- day period. If workers must work on a rest day, an alternative consecutive 24 hours must be provided within that same seven-day period or immediately following.</p>
<p>Finding Details</p>	<p>Based on time card data from June 2023 to June 24, 2024, workers did not consistently receive a day off each week, with some working up to 13 consecutive days. For example, in May 2024, at least 70% of sampling workers worked more than six days in a week, with some working 13 consecutive days. In April 2024, at least 80% of sampling workers worked more than six days in a week, with some working 11 consecutive days. Similar patterns were observed from November - December 2023, and January - March 2024.</p>
<p>Recommendation for Immediate Action</p>	<p>Ensure workers are entitled to one day off after six consecutive working days.</p>

Compliance Classifications	Immediate Action Required
Local Law	Bangladesh EPZ Labor Act 2019, Chapter 5, Section 41.

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