

# Fair Labor Association: Independent External Factory Assessment

Assessment Date :

**03 Aug 2024**



## Factory Information

|                   |              |
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| FLA Affiliates    | Hugo Boss AG |
| Country           | Bangladesh   |
| Number of Workers | 1778         |

## 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)         | 8                    |
| Harassment Or Abuse (H/A)            | 2                    |
| Health, Safety And Environment (HSE) | 15                   |
| Hours Of Work (HOW)                  | 5                    |

## Assessment Information

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|-----------------|-------------|
| Assessor        | SCSA        |
| Assessment Date | 03 Aug 2024 |

Assessment Purpose

Factory Assessment (In-Person)

## ASSESSMENT RESULTS

### Compensation (C)

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| Benchmark ID                        | C.25.2   |
| Benchmark Details                   | Advances shall only be made following clearly established rules which have been communicated to workers.   |
| Finding Details                     | It was noted that the facility did not establish a written policy and procedures/rules on advance wages.   |
| Recommendation for Immediate Action |  |
| Compliance Classifications          | Sustainable Improvement Required   |
| Local Law                           |  |
| Benchmark ID                        | C.24.1   |
| Benchmark Details                   | Employers shall not set production targets, piece rates or any other incentive or production system at such a level that workers need to work beyond regular working hours as set under the FLA Workplace Code, excluding overtime, in order to make at least the minimum wage or the prevailing industry wage, whichever is higher. |
| Finding Details                     | It was noted that there was no production bonus, or any other incentive or production system set so that workers can meet targets within regular working hours.  |
| Recommendation for Immediate Action |  |
| Compliance Classifications          | Sustainable Improvement Required   |

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| Local Law                           |   |
| <b>Employment Relationship (ER)</b> |   |
| 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                     | It was noted that the factory's social compliance staff did not have responsibility for managing Human Resources aspects (recruitment, compensation, nondiscrimination, termination, grievance, etc.).  |
| 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                     | It was noted that managers & supervisors are not fully familiar with the workplace disciplinary system. 7 out of 15 managers' & supervisors' awareness levels of the workplace disciplinary system were found to be very poor. They are not well aware of the types of misconduct, disciplinary action process, inquiry process, and punishment of disciplinary action. |
| Recommendation for Immediate Action |   |

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| 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                     | The facility did not have written procedures on personnel development, performance reviews and promotion, demotion & job reassignment.  |
| 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                     | It was noted that the factory did not have written 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 |   |

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| 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) It was noted that the factory did not have written procedures on performance reviews that include steps and processes, linkages to job grading, nondiscrimination, written feedback, and compliance with legal requirements. (2) It was noted that there is no option to provide feedback by workers regarding their 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                     | It was noted that the facility did not have a written procedure for promotion, demotion, and job reassignment.   |

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| 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) It was noted that the trade license expired on July 1, 2024. The facility applied for renewal on June 20, 2024, but is yet to obtain the renewed copy of the trade license. (2) It was noted that necessary information on identification cards of security personnel and cleaning personnel was provided in the English language instead of the native language and the format of the identification card was not compliance with Bangladesh Labor Rules 2015, form 6. |
| Recommendation for Immediate Action | (1) Factory shall take the necessary steps to renew the license/permit from the concerned authority on a timely manner. (2) Factory shall take necessary steps to provide identification cards of workers with the necessary information as according to Bangladesh Labor Rules 2015.   |
| Compliance Classifications          | Immediate Action Required   |



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| Local Law                           | (1) In accordance with The Trade Organizations ordinance 1961, section 3(1) Notwithstanding anything contained in the act or in any other law for the time being in force relating to registration of societies, bodies or associations of person, no trade organization shall be registered under the or such other law unless it holds a license granted by the Government Authorizing nit to be so registered. (2) In accordance with Bangladesh Labor Rules, 2015 chapter 1, section 19, sub section 5 ( amendment 2022): Every owner shall provide identity card with photo as per form 6 to every worker employed in his establishment at owner's expense and shall provide said identity card and employment letter in Bengali. Provided, however, that if necessary, the identity card and appointment letter shall be provided in English long with Bengali language. |
| 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                     | It was noted that workers are not consulted or integrated in the decision-making process of aspects concerning workplace and working conditions (e.g., creation or revision of policies and procedures, changes on production processes, hours of work, etc.). The facility only consults with worker representative to fix festival holiday and EID holiday.  |
| Recommendation for Immediate Action |  |
| Compliance Classifications          | Sustainable Improvement Required   |
| Local Law                           |  |
| <b>Harassment Or Abuse (H/A)</b>    |  |
| Benchmark ID                        | H/A.10.1.2   |

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| Benchmark Details                           | Body searches and physical pat downs shall only be undertaken when there is a specific, legitimate reason to do so and upon consent of workers, unless a state official with the power to do so (e.g. police officer) has ordered the search. |
| Finding Details                             | It was noted that the facility conducted a body search of workers on a regular basis without workers' consent before searching their bodies.  |
| Recommendation for Immediate Action         |   |
| Compliance Classifications                  | Sustainable Improvement Required  |
| Local Law                                   |   |
| Benchmark ID                                | H/A.10.1.3  |
| Benchmark Details                           | Body searches shall not be undertaken in public and the person who undertakes the search shall be of the same sex as the person who is being searched.  |
| Finding Details                             | It was noted that male workers' body searches were conducted by security personnel in an open place near the security gate in front of female workers and other male workers without ensuring their privacy.                                  |
| Recommendation for Immediate Action         |   |
| Compliance Classifications                  | Sustainable Improvement Required  |
| Local Law                                   |   |
| <b>Health, Safety And Environment (HSE)</b> |   |
| Benchmark ID                                | HSE.5.1.5   |

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| 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                     | It was noted that the facility did not provide refresher training to firefighting committee members on, at least, a semi-annual basis. The total number of members of the firefighting committee is 482, but in the last year, only 468 members received refresher training.  |
| Recommendation for Immediate Action | The factory shall take the necessary steps to provide refresher training to firefighting committee members at least semi-annually (every 6 months).   |
| Compliance Classifications          | Immediate Action Required   |
| Local Law                           | In accordance with Bangladesh Labor Rules, 2015, chapter 6, section 55, sub -section 12 (Amendment 2022): A trained Safety officer shall be recruited in the factory/institute where at least 300 workers are employed. The duties of the safety officer shall be ensuring the preservation and maintenance of all fire-fighting equipment's and keeping them fit and arranging trainings for the three teams mentioned in Sub-section 10 after every six-month period. |
| 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.           |

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| <p>Finding Details</p>                     | <p>(1) Based on the site tour it was noted that the facility did not prohibit smoking within 15 meters ( 50 feet) of all closed areas. The facility only posted no smoking signs on the production floor and utility areas. (2) Based on the site tour it was noted that there is no industry-grade emergency light installed at the two external stairs of the main production building from the ground floor to 3rd floor, two stairs of the admin building from the ground floor to 2nd floor and two stairs of the utility building from ground floor to 2nd floor. (3) It was noted that a sliding type of exit door was provided at one exit of the embroidery section, one exit of the CAD room, and one exit of the sample section. (4) Based on the site tour the following issues were noted: (i) There is no aisle floor marking provided at the passageways of the cutting and sewing section of the main production building. (ii) Two aisle floor markings of the finishing section were found faded. (iii) There is no assembly point and direction sign from the production floor to the assembly point available on the evacuation plan. (iv) There is no evacuation plan posted on the ground floor to the 2nd floor of the admin building, CAD room, sample section, fabric warehouse, and accessories warehouse.</p> |
| <p>Recommendation for Immediate Action</p> | <p>(1) Factory shall prohibit smoking within 15 meters of the factory premise (2) Factory shall install industry-grade emergency lights in all required areas, (3) Factory shall provide outwardly open exit doors at all required exits, (4) Factory shall provide aisle floor marking at all required areas, and re-paint all faded aisle floor markings, (5) Factory shall include an assembly point on the evacuation plan and shall post the evacuation plan in all required areas.</p>   |
| <p>Compliance Classifications</p>          | <p>Immediate Action Required</p>   |

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| Local Law                           | <p>(1) In accordance with Bangladesh Labor Rules, 2015, chapter 6, section 66: There has to be prohibition of smoking and usage of the source of ignition (such as- candle, match, gas lighter etc.) in hazardous places or in places where the Inspector thinks fit. In addition, the concerned institute must write and notify precautionary statements in easily understandable Bengali language in noticeable places in cases where the possibility of fire accidents is high. (2) In accordance with Bangladesh Labor Law 2006, Chapter- 5, Section – 57: In every part of a factory where workers are working or, passing there shall be provided and maintained sufficient and suitable lighting, natural or artificial, or both. (3) In accordance with Bangladesh Labor Law 2006, chapter 6, section 62, sub-section 3 (2) amendment 2013: The door shall be constructed such way that immediately opened from inside while any person is in the room and it should be outward open. (2) Where the door is between two rooms, in the direction of the nearest exit from the building and no such door shall be locked or obstructed while work is being carried on in the room. (4) In accordance with Bangladesh Labor Law 2006, Chapter- 6, Section – 62, Sub section-4: In every factory every window, door, or other exit affording means of escape in case of fire, other than the means of exit in ordinary use, shall be distinctively marked in a language understood by the majority of the workers and in red letters of adequate size or by some other effective and clearly understood sign. (5) In accordance with Bangladesh Labor Rules, 2015, chapter 6, section 55, sub -section 8: The arrangement should be made to show evacuation plan of exit in one or more places easily visible in each floor of each floor of the factory.</p> |
| 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                     | There is no assessment conducted after the drill to learn how to improve the evacuation process.  |
| Recommendation for Immediate Action |   |
| Compliance Classifications          | Sustainable Improvement Required  |

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| Local Law                           |  |
| 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                     | It was noted that the facility installed solar panels on the rooftop of the main production building, however, the facility did not obtain an approved layout drawing from the concerned authority.  |
| Recommendation for Immediate Action | Factory shall update the approved layout as per the actual layout of the building and shall take approval from the concerned authority.  |
| Compliance Classifications          | Immediate Action Required  |
| Local Law                           | In accordance with BNBC 2020; part-2, chapter-3, section 3.1: No building or structure regulated by this Code shall be erected, constructed, enlarged, altered, repaired, moved, improved, removed, converted or demolished without obtaining permit for each such work from the building official. In accordance with Bangladesh Labor Rules 2015, Section: 353, Sub-Section: 1- Before use, change or expansion of any houses, building or premises as factory, approval in writing of the inspector general or any officer empowered by him shall be taken. |
| 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                     | It was noted that the generator room noise level exceeded 85 dB and was found at 98 dB. However, the facility did provide an ear plug to the generator operator.   |

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| Recommendation for Immediate Action | It is recommended that the factory take the necessary steps to keep the noise level of the generator room within 85 dB.  |
| Compliance Classifications          | Immediate Action Required  |
| Local Law                           | In accordance with Bangladesh Labor Rules, 2015, chapter 7, section 68, Sub Section 1 (Amendment 2022): The following activities shall be considered as hazardous in order to fulfill the purposes of Section 79 (27): Manufacturing environment where the sound level is more than 80 decibels;   |
| Benchmark ID                        | HSE.14.1   |
| Benchmark Details                   | All production machinery, equipment and tools shall be properly guarded and regularly maintained.  |
| Finding Details                     | (1) It was noted that at least 20% of machines were not using the eye shield installed and for high-speed machines, at least 20% of needle guards were installed too high and defeated the purpose of the safety measure installed. (2) Traffic lane and walking path were not clearly marked near the entrance & exit gates and inside of the factory premises where vehicles are moving around. (3) Speed breakers and convex mirrors were not installed at blind turns. |
| Recommendation for Immediate Action | (1) Factory should ensure the machine safety guards are installed and used properly to ensure the safety of workers. (2) Traffic lane and walking path shall be properly marked throughout the facility. (3) Speed breakers and convex mirrors should be installed at blind turns.   |
| Compliance Classifications          | Immediate Action Required  |

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| Local Law                           | <p>In accordance with Bangladesh Labor Law 2006, Chapter- 6, Section – 62, Sub section-4: In every factory every window, door, or other exit affording means of escape in case of fire, other than the means of exit in ordinary use, shall be distinctively marked in a language understood by the majority of the workers and in red letters of adequate size or by some other effective and clearly understood sign. In accordance with Bangladesh Labor Rules, 2015, chapter 6, section 67: (1) Safety measures and health safety must be arranged in accordance with the directions of this Rule or the regulations of the concerned govt. department for the workers who are employed in the procedures of manufacturing processes that have high risks of physical injury or loss. 2) In addition to the arrangement of safety and health protection measures mentioned in Sub-section (1), the concerned manufacturing institute must provide necessary equipment's, including safety shoes, helmets, goggles, masks, hand gloves, ear muffs, ear plugs, waist belts, aprons etc. and arrange training programs for the workers in using these materials and ensure their usage. 3) No worker can be employed in the relevant works without ensuring safety and health protection measures and the training related therewith. In addition, personal safety equipment's must be preserved in accordance with Information Form-23.</p> |
| Benchmark ID                        | HSE.18.2.1  |
| Benchmark Details                   | An appropriate number of medical staff shall be on duty during all working hours, including any type of overtime, as required under national law.   |
| Finding Details                     | It was noted that there is no medical personnel available after 10.00 PM for 2nd shift of the embroidery section as the 2nd shift embroidery section runs from 8.00 PM to 5.00 AM.  |
| Recommendation for Immediate Action | It is recommended that the factory shall ensure medical personnel are available for all working hours which including overtime & night shift duty.  |
| Compliance Classifications          | Immediate Action Required   |



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| Local Law                           | In accordance with Bangladesh Labor Rules, 2015, chapter 8, section 77, Sub section 1 (Amendment 2022) : At least one registered Physician shall be in each Treatment Unit of the institute or factory with the facility of dispensary. Additionally, at least one trained compounder or medical assistant, nurse and subordinate employee shall be employed for helping him/her, provided that at least two registered Physicians shall be recruited in case of an Institute where more than three thousand employees/workers work and necessary number of medical assistant and nurse shall be recruited for helping the Doctors : There is also a condition that if the workers of an organization work in three shifts, there will be a diploma certified medical assistant instead of a registered doctor in the night shift. |
| 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                     | Based on document review it was noted that one boiler license expired on August 17, 2023. The facility applied for renewal on June 24, 2024.   |
| Recommendation for Immediate Action | It is recommended that the factory take the necessary steps to obtain a renewal copy of the boiler license from the concerned authority.   |
| Compliance Classifications          | Immediate Action Required  |

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| Local Law                           | In Accordance with Bangladesh Boiler act 2022, chapter 5, section 21: Unless there is a different provision of this Act, no boiler user may use or permit the use of a boiler, if any (a) unless it has been registered in accordance with the provisions of this Act; (b) Boiler is damaged or not fit for operate. (c) The certificate issued for the use of the boiler expires. (d) At a pressure higher than the maximum pressure recorded in such certificate or provisional order. (e) Not operate the boiler under the supervision of a suitable licensed person. (f) The quality of water used in boilers not under control as per the rules and codes.    |
| 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) It was noted that the facility did not ensure the disposal of waste by the authorized waste handler. The facility made a waste agreement with M/S Islam Enterprise for which it only obtained a trade license from Gazipur City Corporation, as a general businessman supplier but not for disposal of waste. (2) It was noted that the facility did not provide training to health & safety committee members.  |
| Recommendation for Immediate Action | (1) Factory shall take the necessary steps to ensure waste is disposed of by Government approved organizations. (2) Factory shall take the necessary steps to arrange a training program for Safety Committee members.   |
| Compliance Classifications          | Immediate Action Required  |
| Local Law                           | (1) In accordance with Bangladesh Labor Rules 2015, chapter 5, section 47, sub-section 1: As per the section 54, the arrangements of removing the wastes and liquids should be in accordance with the existing law and direction of the country and the clearance issued by the environment and health authorities concerned on the measures taken should be submitted to the inspector. (2) In accordance with Bangladesh Labor Rules 2015, Schedule 4, section 13, sub-section a: The owner or the authority shall arrange for training of the safety committee members at cost of the owner on occupational health and safety and on working place environment. |

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| 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                     | It was noted that the facility's total workers are 2094 but only 170 workers received training on the Ergonomic program last year. The last batch of training was on July 14, 2024, and the total number of participants was only 11.                                  |
| Recommendation for Immediate Action | It is recommended that the factory shall provide training to all workers on ergonomic program.   |
| Compliance Classifications          | Immediate Action Required  |
| Local Law                           | In accordance with Bangladesh Labor Act 2006, chapter 7, section 78A: (3) Every worker shall be made aware of the hazards of work through training in order to ensure the protection and safety of his professional health in the place of work.                       |
| Benchmark ID                        | HSE.18.2   |
| Benchmark Details                   | Medical staff shall be fully licensed and recognized under applicable national rules and regulations.  |
| Finding Details                     | Based on the document review it was noted that the registration of medical nurse from the Bangladesh Nursing and Midwifery Council expired on June 19, 2021, and at the time of the assessment, the medical nurse didn't apply for renewal of the registration number. |
| Recommendation for Immediate Action | It is recommended that the factory take the necessary steps to renew the registration number of the medical nurse from the Bangladesh Nursing & Midwifery Council.   |
| Compliance Classifications          | Immediate Action Required  |

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| Local Law                           | In accordance with Bangladesh Nursing and Midwifery Council act 2016, section 21, sub-section 1: Notwithstanding anything contained in any other law, no person shall practice or hold out to be a nurse or midwife or allied profession without registration under this Act.  |
| 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                     | It was noted that the facility did not conduct a risk assessment of the roof, confined spaces, medical center, childcare center, first aid box, drinking water, exhaust fan, transmittable; non-transmittable disease and excessive working hours.   |
| Recommendation for Immediate Action | Factory shall conduct a risk assessment to cover all required areas and buildings.   |
| Compliance Classifications          | Immediate Action Required  |
| Local Law                           | In accordance with Bangladesh Labor Rules, 2015, chapter 7, section 75, Sub Section 1 (Amendment 2022): a. Workplace risk assessment shall be conducted once in every year by the authority declared by Inspector general and shall notify to inspector general of concerned area. b. Necessary measures shall be taken to remedy the identified workplace hazards and the Inspector General of the concerned area shall be notified 30 days before the end of the year. |
| 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.  |

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| Finding Details                     | (1) It was noted that at least 20% of overlock machine operators and cutting machine operators were working without wearing face masks and head scrap. (2) It was noted that last year, only 190 out of a total of 2,094 workers received training on PPE. The last batch of training was provided on July 1, 2024, and total number of participants was only 16. |
| Recommendation for Immediate Action | The factory shall take the necessary steps to provide training to all workers on PPE.   |
| Compliance Classifications          | Immediate Action Required   |
| Local Law                           | In accordance with Bangladesh Labor Act 2006, chapter 7, section 78A: (3) Every worker shall be made aware of the hazards of work through training in order to ensure the protection and safety of his professional health in the place of work.]   |
| Benchmark ID                        | HSE.5.2   |
| Benchmark Details                   | Workers shall be trained in evacuation procedures.  |
| Finding Details                     | The facility did not provide training to all workers on their duties in the event of an emergency. Last year, only 242 workers received training, and the last batch of training was provided on July 25, 2024, and only 20 workers participated.   |
| 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.  |

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| Finding Details                     | It was noted that there is no anti-fatigue mat provided to at least 10% of long-time standing workers in the cutting, sewing, quality, and finishing sections. In addition, there is no adjustable chair provided for at least 10% of sewing operators.  |
| Recommendation for Immediate Action | It is recommended that the factory shall provide anti-fatigue mats under the feet of the longtime standing workers and shall provide an adjustable chair to all sewing machine operators.  |
| Compliance Classifications          | Immediate Action Required  |
| Local Law                           | In accordance with Bangladesh Labor Rules, 2015, chapter 6, section 67: (1) Safety measures and health safety must be arranged in accordance with the directions of this Rule or the regulations of the concerned govt. department for the workers who are employed in the procedures of manufacturing processes that have high risks of physical injury or loss. 2) In addition to the arrangement of safety and health protection measures mentioned in Sub-section (1), the concerned manufacturing institute must provide necessary equipment's, including safety shoes, helmets, goggles, masks, hand gloves, ear muffs, ear plugs, waist belts, aprons etc. and arrange training programs for the workers in using these materials and ensure their usage. |

### Hours Of Work (HOW)

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| 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                     | Based on document review it was noted that the facility made production plan based on 9.5 hours instead of 8 hours.  |
| Recommendation for Immediate Action |  |

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| Compliance Classifications          | Sustainable Improvement Required  |
| Local Law                           |   |
| Benchmark ID                        | HOW.3   |
| Benchmark Details                   | Employers shall provide reasonable meal and rest breaks, which, at a minimum, must comply with national laws.   |
| Finding Details                     | Facility did not ensure to provide a two-hour break to those who are working with hazardous work, such as the Boiler operator, Generator operator, and compressor operator (working 8 hours). The facility provided a break of only one hour instead of two hours (15 minutes per hour) as per legal requirements.  |
| Recommendation for Immediate Action | Factory shall provide at least 15 minutes break at each working hour for those who are working with hazardous job.  |
| Compliance Classifications          | Immediate Action Required   |
| Local Law                           | In accordance with Bangladesh Labor Rules 2015, Chapter-9, Section-99, sub-section 2, amendment 2022: The workers who are employed in construction, re-rolling, steel mills, ship breaking industry and hazardous works mentioned in Section/Rule 68 cannot be made to work again without giving them 15 minutes break after every one hour of work alternately. However, in order to materialize the purposes mentioned in Section 101 (d), the Owner cannot deduct the wages of the workers for giving this type of rest. |
| 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                     | It was noted that the facility did not take worker consent before overtime duty and did not notify workers about overtime duty at the beginning of the shift. The facility stated that it was announced through the public announcement system but there is no record available to provide it.  |

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| Recommendation for Immediate Action | It is recommended that the factory receive worker consent before doing overtime duty.  |
| Compliance Classifications          | Immediate Action Required  |
| Local Law                           | Bangladesh Labor Rules 2015, chapter 9, section 99: The facility can do over time duty by pay overtime allowance but have to take worker concern at least two hours before start over time   |
| 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                     | Based on the provided timecard from July 2023 to July 2024, it was noted that workers were working more than 60 hours a week on some occasions due to production arrangements as well as the swapping rest day duty with general duty to cover additional holidays with the EID festival. At least 80% of sampling workers' weekly working hours exceeded 60 hours and the maximum weekly working hours is nearly 70 hours with daily overtime ranging from 0 to 2 hours such as: (i) June 1 to 7, 2024 (total 70 hours and daily maximum overtime hours was 2 hours), May 2 to 8, 2024 (total 70 hours & daily maximum overtime hours is 2), and May 18 to 24, 2024 (total 70 hours & daily maximum overtime hours is 2). (ii) February 27 to March 4, 2024 (total 70 hours and daily maximum overtime hours was 2 hours), February 12 to 18, 2024 (total 70 hours & daily maximum overtime hours was 2 hours), February 19 to 25, 2024 )total 70 hours: daily maximum overtime hours was 2 hours), and January 25 to 31, 2024 (total 68 hours and daily maximum overtime hours was 2 hours). |
| Recommendation for Immediate Action | Factory shall take the necessary steps to reduce excessive working hours gradually.  |
| Compliance Classifications          | Immediate Action Required  |



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|-------------------------------------|---|
| Local Law                           | <p>In accordance with Bangladesh Labor Law, 2006, Chapter-9, Section-102: (1) The total hours of work of an adult worker shall not exceed sixty hours in any week and on the average fifty-six hours per week in any year. (2) Subject to the provisions of section 108, an adult worker may work for more than 48 (forty-eight) hours also in a week: Provided that the total working hours of such worker shall not exceed 60 (sixty) hours in a week, and on the average 56 (fifty-six) hours per week in a year: Provided further that the total additional working hours of a worker employed in a road transport establishment shall not exceed 150 (one hundred and fifty) hours in a year: Provided further that the Government may, in the cases of some particular industries, under conditions imposed by order in writing, relax the provisions of this section or exempt from the provisions of this section at a time for a period of not exceeding 6 (six) months, if it is satisfied that in the public interest or in the interest of economic development such relaxation or exemption is necessary..</p> |
| Benchmark ID                        | HOW.2   |
| Benchmark Details                   | <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>  |
| Finding Details                     | <p>Based on the provided time card from July 2023 to July 2024, workers performed work on rest days on some occasions due to the production arrangement as well as the swapping of the rest day with general duty to cover additional holidays with EID festivals. At least 80% of sampled workers did not receive one day of rest after six consecutive working days. Consecutive working days found between 7 to 13 days such as June 1 to 13, 2024 (total 13 days), May 18 to 30, 2024 (total 13 days), May 2 to 9 2024 (total 8 days), February 27 to March 7, 2024 (total 10 days), February 12 to 20, 2024 (total 9 days), February 19 to 25, 2024 (total 7 days) and January 20 to February 1, 2024 (total 13 days).</p>   |
| Recommendation for Immediate Action | <p>Factory shall take necessary steps to provide one day off after six consecutive working days.</p>  |
| Compliance Classifications          | <p>Immediate Action Required</p>  |

## Local Law

In accordance with Bangladesh Labor Law 2006, Chapter 9, section 103: Every worker employed in an establishment (a) shall be entitled to 1 (one and a half) day holiday in a week in the case of a shop or commercial establishment or an industrial, establishment and 1 (one) day in a week in the case of a factory and establishment. In accordance with Bangladesh Labor Rules 2015, chapter 9, section 100: As per the regulations of Section 103 and 114, weekly leave of any factory or institute shall be considered as weekly holiday of it. However, the Inspector General can issue gazettes notifying about region-wise holiday of the institute or the factory for the benefit of mass people. The leaves and holidays mentioned in this Section/Rule shall be applicable in the factories and institutes that are run by the family members of the Owner or the institutes where no workers work in exchange of wages

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